

Orange County Employees Retirement System

**Actuarial Valuation and Review
as of December 31, 2025**



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June 5, 2026

Board of Retirement
Orange County Employees Retirement System
2223 Wellington Avenue
Santa Ana, CA 92701

Dear Board Members:

We are pleased to submit this Actuarial Valuation and Review as of December 31, 2025 for the Orange County Employees Retirement System (“OCERS” or “the Plan” or “the System”). It summarizes the actuarial data used in the valuation, analyzes the preceding year's experience, and establishes the funding requirements for fiscal year 2027-2028.

This report has been prepared in accordance with generally accepted actuarial principles and practices for the exclusive use and benefit of the Board of Retirement (the Board), based upon information provided by the staff of OCERS and the Plan's other service providers.

Segal does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Segal does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based this report and we have no reason to believe there are facts or circumstances that would affect the validity of these results.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law.

The actuarial calculations were directed under the supervision of Molly Calcagno, ASA, MAAA, and Enrolled Actuary. We are members of the American Academy of Actuaries and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of our knowledge, the information supplied in this actuarial valuation is complete and accurate. The assumptions used in this actuarial valuation were selected by the Board based upon our analysis and

Board of Retirement
June 5, 2026

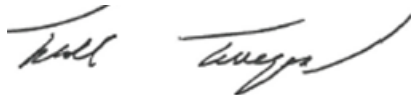
recommendations. In our opinion, the assumptions are reasonable and take into account the experience of OCERS and reasonable expectations. In addition, in our opinion, the combined effect of these assumptions is expected to have no significant bias.

Segal makes no representation or warranty as to the future status of the Plan and does not guarantee any particular result. This document does not constitute legal, tax, accounting or investment advice or create or imply a fiduciary relationship. The Board is encouraged to discuss any issues raised in this report with the Plan's legal, tax and other advisors before taking, or refraining from taking, any action.

We look forward to reviewing this report at your next meeting and to answering any questions.

Sincerely,

Segal



Todd Tauzer, FSA, MAAA, FCA, CERA
Senior Vice President and Actuary



Molly Calcagno, ASA, MAAA, EA
Senior Actuary

DC/jl

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Section 1: Actuarial Valuation Summary

Purpose and basis

This report has been prepared by Segal to present a valuation of the Orange County Employees Retirement System (“OCERS” or “the Plan” or “the System”) as of December 31, 2025. The valuation was performed to determine whether the assets and contribution rates are sufficient to provide the prescribed benefits.

The contribution requirements presented in this report are based on:

- The benefit provisions of the Plan, as administered by the Board;
- The characteristics of covered active members, inactive members and retired members and beneficiaries as of December 31, 2025, provided by the staff of OCERS;
- The assets of the Plan as of December 31, 2025, provided by the staff of OCERS;
- Economic assumptions regarding future salary increases and investment earnings adopted by the Board for the December 31, 2025 valuation;
- Other actuarial assumptions regarding employee terminations, retirement, death, etc. adopted by the Board for the December 31, 2025 valuation; and
- The funding policy adopted by the Board.

Certain disclosure information required by Governmental Accounting Standards Board (GASB) Statements No. 67 and 68 as of December 31, 2025 for the Plan and the employers, respectively, are provided in separate reports.

One of the general goals of an actuarial valuation is to establish contributions which fully fund the System’s liabilities, and which, as a percentage of payroll, remain as level as possible for each generation of active members. Annual actuarial valuations measure the progress toward this goal, as well as test the adequacy of the contribution rates.

The contribution requirements are determined as a percentage of payroll. The System’s employer rates provide for both normal cost and a contribution to amortize any unfunded or overfunded (upon meeting certain conditions) actuarial accrued liabilities. In this valuation, we have applied the funding policy adopted by the Board in 2014 (reaffirmed in 2018 and revised with some non-substantive changes in 2022 and modified in 2024 to indicate that the Board may exercise discretion in determining whether to delay

Section 1: Actuarial Valuation Summary

or change contribution rates immediately when there is a plan amendment). Details of the funding policy are provided in *Section 4, Exhibit 1* starting on page 107.

The rates calculated in this report may be adopted by the Board for the fiscal year that extends from July 1, 2027 through June 30, 2028.

Valuation highlights

Method change

1. The Board approved a change in methodology for allocating the COLA normal cost for Safety legacy members with 30 or more years of service. Prior to the December 31, 2025 valuation, the COLA normal cost for these members was allocated to the remaining Safety legacy members who had less than 30 years of service. Effective with this valuation, the COLA normal cost has been allocated to the employer resulting in slightly lower member contribution rates for Safety legacy members.

Funding measures

2. The funded ratio (the ratio of valuation value of assets to the actuarial accrued liability) increased from 83.83% to 86.55%. This ratio is one measure of funding status, and its history is a measure of funding progress. Using the market value of assets, the funded ratio increased from 84.18% to 92.71%. These measurements are not necessarily appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the Plan's benefit obligation or the need for, or the amount of, future contributions. A history of the System's funded ratios is provided in *Section 2, Subsection G* on pages 52 and 53.
3. The unfunded actuarial accrued liability (the difference between the actuarial accrued liability and the valuation value of assets) decreased from \$4,569.6 million to \$3,986.4 million. The decrease in unfunded actuarial accrued liability (UAAL) is primarily due to contributions made to amortize the UAAL and the investment return on the valuation value (i.e., after asset smoothing) greater than the 7.00% return assumption used in the December 31, 2024 valuation, offset somewhat by individual salary increases greater than expected and other experience losses. A reconciliation of the System's UAAL from the prior year is provided in *Section 2, Subsection E* on page 30.

A schedule of the current UAAL amortization balances and payments may be found in *Section 3, Exhibit H* starting on page 90. A graphical projection of the UAAL amortization balances and payments is provided in *Section 3, Exhibit I* starting on page 105.

Section 1: Actuarial Valuation Summary

Actuarial experience

4. The net actuarial gain of \$305.3 million, or 1.03% of the actuarial accrued liability, is due to an investment gain (after asset smoothing) of \$443.9 million, or 1.50% of the actuarial accrued liability, partially offset by a net loss of from sources other than investments of \$138.7 million, or 0.47% of the actuarial accrued liability. The loss from sources other than investments was primarily due to individual salary increases greater than expected.
5. The rate of return on the market value of assets was 16.12% for the year ending December 31, 2025. The return on the valuation value of assets was 8.88% for the same period after recognizing a portion of this year's investment gain and a portion of prior years' investment gains and losses. This resulted in an actuarial gain when measured against the assumed rate of return of 7.00% used in the December 31, 2024 valuation. This actuarial investment gain (after asset smoothing) decreased the average employer contribution rate by 1.25% of payroll. A history of the System's investment returns is provided in *Section 2, Subsection B* on page 25.
6. On July 30, 2020, the California Supreme Court issued a decision in the case of Alameda County Deputy Sheriffs' Association et al. v. Alameda County Employees' Retirement Association (ACERA) and Board of Retirement at ACERA. That decision has important implications for OCERS and its members. In particular, the decision requires pension systems like OCERS to exclude certain pay items from a legacy member's compensation earnable. It should be noted that as of December 31, 2025, OCERS has refunded contributions previously paid by certain members in conjunction with such pay items and changed benefit amounts previously determined using those pay items. We have continued to adjust the liabilities in the valuation to reflect modifications in the benefit amounts reported by OCERS.

Contributions

7. The average employer rate calculated in this valuation has decreased from 36.76% to 35.78% of payroll. This decrease is primarily due to the investment return on the valuation value (i.e., after asset smoothing) greater than the assumed rate of 7.00% used in the December 31, 2024 valuation, partially offset by individual salary increases greater than expected. A complete reconciliation of the System's aggregate employer rate is provided in *Section 2, Subsection F* on page 33.

We note that the impact on contribution rates of the items noted in item 3 (i.e., the investment return on the valuation value (after asset smoothing) greater than the assumed rate of 7.00% used in the December 31, 2024 valuation and individual salary increases different than expected) is not uniform across the rate groups. That non-uniform impact is dependent on the particular demographics of the members within each rate group (e.g., actual negotiated salary increases for active members covered), as well as the ratio of the payroll to the assets and liabilities within each rate group. That non-uniform impact is exacerbated by the fact that some rate groups had higher than expected total payroll growth while other rate groups have lower than expected total payroll growth between the December 31, 2024 and the December 31, 2025 valuations. A detailed reconciliation of the employer

Section 1: Actuarial Valuation Summary

contribution rate for each rate group is provided in *Section 4, Exhibit 5* starting on page 166. That exhibit is followed by a detailed reconciliation of the UAAL for each rate group provided in *Section 4, Exhibit 6* starting on page 169.

8. The average member rate calculated in this valuation has decreased from 11.56% to 11.51% of payroll due to changes in active member demographics, as well as the effect of reallocating the COLA normal cost for Safety legacy members with 30 or more years of service to the employer. A complete reconciliation of the System's aggregate member rate is provided in *Section 2, Subsection F* on page 34.

The detailed member rates by cost group are provided in *Section 4, Exhibit 3* starting on page 141.

9. This report reflects the \$17.6 million in additional contributions made by O.C. Fire Authority (OCFA) towards their UAAL in Rate Group #8.¹ The \$17.6 million of additional contributions made by OCFA has been amortized as a level percent of pay over a period of twenty years effective on December 31, 2025 and used to reduce their UAAL rates for fiscal year 2027-2028.
10. Segal strongly recommends an actuarial funding method that targets 100% funding of the actuarial accrued liability. Generally, this implies payments that are ultimately at least enough to cover normal cost, interest on the UAAL and the principal balance. The funding policy adopted by the Board is detailed in *Section 4, Exhibit 1* and meets this standard.

Future expectations

11. The total unrecognized net investment **gain** as of December 31, 2025 is \$1,826 million as compared to an unrecognized net investment **gain** of \$100 million in the previous valuation. This net deferred gain of \$1,826 million will be recognized in the determination of the actuarial value of assets for funding purposes in the next few years as shown in *Section 2, Subsection B* on page 23.

The net deferred gain of \$1,826 million represents about 6.6% of the market value of assets. Unless offset by future investment losses or other unfavorable experience, the recognition of the \$1,826 million net market gain is expected to have an impact on the System's future funded ratio and contribution rate requirements. This potential impact may be illustrated as follows:

- a. If the net deferred gain was recognized immediately in the valuation value of assets, the funded percentage would increase from 86.55% to 92.71%.

For comparison purposes, if the net deferred gain in the December 31, 2024 valuation had been recognized immediately in the December 31, 2024 valuation, the funded percentage would have increased from 83.83% to 84.18%.

- b. If the net deferred gain was recognized immediately in the valuation value of assets, the average employer contribution rate would decrease from 35.78% to 30.36% of payroll.

¹ OCFA has been making additional UAAL contributions since 2013. Those additional contributions have allowed OCFA to achieve a higher funded ratio (99.27%) when compared to other Safety rate groups.

Section 1: Actuarial Valuation Summary

For comparison purposes, if the net deferred gain in the December 31, 2024 valuation had been recognized immediately in the December 31, 2024 valuation, the average employer contribution rate would have decreased from 36.88% to 36.58% of payroll.

Risk

12. It is important to note that this actuarial valuation is based on plan assets as of December 31, 2025. The Plan's funded status does not reflect short-term fluctuations of the market, but rather is based on the market values on the last day of the plan year. Segal is available to prepare projections of potential outcomes of market conditions and other demographic experience upon request.
13. Because the actuarial valuation results are dependent on a given set of assumptions, there is a risk that emerging results may differ significantly as actual experience proves to be different from the assumptions. We have been engaged to perform a detailed analysis of the potential range of the impact of risk relative to the Plan's future financial condition and that report will be provided at a later date. We have also included a brief discussion of some risks that may affect the Plan in *Section 2, Subsection 1*, beginning on page 55. This discussion of risks is included to satisfy the disclosure required by Actuarial Standard of Practice No. 51 (ASOP 51).
14. The risk assessment in *Section 2, Subsection 1* includes the disclosure of a "Low-Default-Risk Obligation Measure" (LDRM). This disclosure, along with commentary on the significance of the LDRM, is a requirement under Actuarial Standard of Practice No. 4 (ASOP 4) for all pension funding actuarial valuation reports and can be found on pages 57-58.

GASB

15. This report constitutes an actuarial valuation for the purpose of determining the actuarially determined contribution (ADC) under the Plan's funding policy and measuring the progress of that funding policy. The Net Pension Liability and Pension Expense under GASB Statements No. 67 and No. 68, for inclusion in the Plan's and employer's financial statements as of December 31, 2025, will be provided separately. The accounting disclosures will utilize different methodologies from those employed in the funding valuation, as required by the GASB. However, the ADC in this valuation is expected to be used as the ADC for GASB financial reporting.

Section 1: Actuarial Valuation Summary

Other

16. The balance in the O.C. Sanitation District UAAL Deferred Account has increased from \$17.6 million as of December 31, 2024 to \$20.1 million as of December 31, 2025 to reflect market experience. As of December 31, 2025, there was no transfer required from this account to pay off their UAAL.
17. O.C. Sanitation District (Rate Group #3), Transportation Corridor Agency (Rate Group #9), and O.C. Law Library (Rate Group #12) remain overfunded as of December 31, 2025, and their funded ratios are 102.76%, 105.07%, and 124.11%, respectively. Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio is over 120% for the total plan and other conditions in CalPEPRA are met. Therefore, their contribution rates are set equal to their normal cost rates.

Section 1: Actuarial Valuation Summary

Summary of key valuation results

Average Employer Contribution Calculated as of December 31

Rate Group	2025 Contribution Rate	2025 Annual Amount ² (\$ in '000s)	2024 Contribution Rate ³	2024 Annual Amount ² (\$ in '000s)
General				
• Rate Group #1 – Plans A, B and U (County and IHSS)	13.12%	\$15,341	13.46%	\$15,742
• Rate Group #2 – Plans I, J, O, P, S, T, U and W (County et al.)	36.31%	550,167	36.76%	557,053
• Rate Group #3 – Plans B, G, H and U (OCSD)	11.30%	10,726	11.33%	10,757
• Rate Group #5 – Plans A, B and U (OCTA)	27.26%	38,565	28.99%	41,011
• Rate Group #9 – Plans M, N and U (TCA)	13.48%	1,204	13.11%	1,171
• Rate Group #10 – Plans I, J, M, N and U (OCFA)	21.00%	8,416	22.03%	8,827
• Rate Group #11 – Plans M and N, future service, and U (Cemetery)	12.80%	312	14.12%	344
• Rate Group #12 – Plans G, H, future service, and U (Law Library)	13.07%	163	13.23%	165
Safety				
• Rate Group #6 – Plans E, F and V (Probation)	57.51%	\$37,955	60.14%	\$39,690
• Rate Group #7 – Plans E, F, Q, R and V (Law Enforcement)	51.52%	195,882	54.20%	206,099
• Rate Group #8 – Plans E, F, Q, R and V (OCFA)	29.90%	60,345	31.58%	63,752
All Categories Combined	35.78%	\$919,076	36.76%	\$944,611

² Based on December 31, 2025 projected annual compensation as shown on page 48.

³ For those rate groups with plan specific contribution rates, the total rates shown above have been recalculated by applying the plan specific contribution rates determined in the December 31, 2024 valuation to the corresponding projected payrolls reported as of December 31, 2025.

Section 1: Actuarial Valuation Summary

Average Member Contribution Calculated as of December 31

Rate Group	2025 Contribution Rate	2025 Annual Amount ⁴ (\$ in '000s)	2024 Contribution Rate ⁵	2024 Annual Amount ⁴ (\$ in '000s)
General				
• Rate Group #1 – Plans A, B and U (County and IHSS)	10.10%	\$11,812	10.11%	\$11,823
• Rate Group #2 – Plans I, J, O, P, S, T, U and W (County et al.)	9.74%	147,579	9.74%	147,579
• Rate Group #3 – Plans B, G, H and U (OCSD)	10.68%	10,136	10.66%	10,117
• Rate Group #5 – Plans A, B and U (OCTA)	10.85%	15,349	10.87%	15,377
• Rate Group #9 – Plans M, N and U (TCA)	11.16%	997	11.05%	987
• Rate Group #10 – Plans I, J, M, N and U (OCFA)	10.59%	4,243	10.62%	4,255
• Rate Group #11 – Plans M and N, future service, and U (Cemetery)	10.37%	253	10.35%	252
• Rate Group #12 – Plans G, H, future service, and U (Law Library)	12.40%	155	12.35%	154
Safety				
• Rate Group #6 – Plans E, F and V (Probation)	15.32%	\$10,111	15.53%	\$10,249
• Rate Group #7 – Plans E, F, Q, R and V (Law Enforcement)	16.68%	63,421	16.85%	64,067
• Rate Group #8 – Plans E, F, Q, R and V (OCFA)	15.71%	31,710	15.90%	32,094
All Categories Combined	11.51%	\$295,766	11.56%	\$296,954

⁴ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁵ Average December 31, 2024 member contribution rates have been recalculated by applying the individual entry age-based rates determined in the December 31, 2024 valuation to the System membership as of December 31, 2025.

Section 1: Actuarial Valuation Summary

Valuation Results as of December 31 (\$ in '000s)

Line Description	2025	2024
Actuarial accrued liability		
• Total actuarial accrued liability	\$29,639,365	\$28,258,622
– Retired members and beneficiaries	18,614,408	17,668,968
– Inactive members ⁶	739,968	694,435
– Active members	10,284,989	9,895,219
• Normal cost for plan year beginning December 31	641,726	625,145
Assets		
• Market value of assets (MVA) ⁷	\$27,478,757	\$23,789,296
• Actuarial value of assets (AVA) ⁷	25,652,999	23,688,986
• Actuarial value of assets as a percentage of market value of assets	93.36%	99.58%
• Valuation value of assets (VVA) ⁸	\$25,652,999	\$23,688,986
Funded status		
• UAAL on MVA basis ⁹	\$2,160,608	\$4,469,326
• Funded percentage on MVA basis	92.71%	84.18%
• UAAL on VVA basis	\$3,986,366	\$4,569,636
• Funded percentage on VVA basis	86.55%	83.83%
Key assumptions		
• Net investment return	7.00%	7.00%
• Inflation rate	2.50%	2.50%
• Payroll growth	3.00%	3.00%
• Cost-of-living adjustments	2.75%	2.75%

⁶ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

⁷ Excludes County Investment Account (funded by pension obligation bond proceeds held by OCERS), prepaid employer contributions account, O.C. Sanitation District UAAL Deferred Account (after transfer).

⁸ Excludes non-valuation reserves (if any).

⁹ Both the UAAL and the funded percentage on MVA basis have been calculated by using the MVA reduced by non-valuation reserves in the amount of \$0 as of both December 31, 2025 and December 31, 2024.

Section 1: Actuarial Valuation Summary

Demographic Data as of December 31

Demographic Data by Status	2025	2024	Change
Active members			
• Number of members	22,797	23,368	(2.4)%
• Average age	44.3	44.1	0.2
• Average service	11.6	11.3	0.3
• Total projected compensation	\$2,569,239,233	\$2,478,139,312	3.7%
• Average projected compensation	\$112,701	\$106,048	6.3%
Retired members and beneficiaries			
• Number of members	22,244	21,740	2.3%
– Service retired	17,513	17,103	2.4%
– Disability retired	1,658	1,645	0.8%
– Beneficiaries	3,073	2,992	2.7%
• Average age	71.1	70.9	0.2
• Average monthly benefit ¹⁰	\$5,070	\$4,892	3.6%
Inactive members			
• Number of members ¹¹	10,132	9,377	8.1%
• Average age	45.0	45.0	0.0
Total members	55,173	54,485	1.3%

¹⁰ Excludes monthly benefits payable from the Supplemental Targeted Adjustment for Retirees Cost of Living Adjustment (STAR COLA).

¹¹ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

Section 1: Actuarial Valuation Summary

Important information about actuarial valuations

An actuarial valuation is a budgeting tool with respect to the financing of future projected obligations of a pension plan. It is an estimated forecast – the actual long-term cost of the plan will be determined by the actual benefits and expenses paid and the actual investment experience of the plan.

In order to prepare a valuation, Segal relies on a number of input items. These include:

Input Item	Description
Plan provisions	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. Even where they appear precise, outside factors may change how they operate. It is important to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits.
Member information	An actuarial valuation for a plan is based on data provided to the actuary by the staff of OCERS. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
Financial information	Part of the cost of a plan will be paid from existing assets — the balance will need to come from future contributions and investment income. The valuation is based on the asset values as of the valuation date, typically reported by the System. A snapshot as of a single date may not be an appropriate value for determining a single year's contribution requirement, especially in volatile markets. Plan sponsors often use an "actuarial value of assets" that differs from market value to gradually reflect year-to-year changes in the market value of assets in determining the contribution requirements.
Actuarial assumptions	In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan members for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement of members in each year, as well as forecasts of the plan's benefits for each of those events. In addition, the benefits forecasted for each of those events in each future year reflect actuarial assumptions as to salary increases and cost-of-living adjustments (if applicable). The forecasted benefits are then discounted to a present value, typically based on an estimate of the rate of return that will be achieved on the plan's assets. All of these factors are uncertain and unknowable. Thus, there will be a range of reasonable assumptions, and the results may vary materially based on which assumptions are selected within that range. That is, there is no right answer (except with hindsight). It is important for any user of an actuarial valuation to understand and accept this constraint. The actuarial model may use approximations and estimates that will have an immaterial impact on our results. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

Section 1: Actuarial Valuation Summary

The user of Segal's actuarial valuation (or other actuarial calculations) should keep the following in mind:

- The actuarial valuation is prepared at the request of the System. Segal is not responsible for the use or misuse of its report, particularly by any other party.
- An actuarial valuation is a measurement at a specific date — it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of the potential range of financial measurements, except where otherwise noted.
- If OCERS is aware of any event or trend that was not considered in this valuation that may materially change the results of the valuation, Segal should be advised, so that we can evaluate it.
- Segal does not provide investment, legal, accounting or tax advice and is not acting as a fiduciary to the Plan. This valuation is based on Segal's understanding of applicable guidance in these areas and of the Plan's provisions, but they may be subject to alternative interpretations. The System should look to their other advisors for expertise in these areas.
- While Segal maintains extensive quality assurance procedures, an actuarial valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's valuation, Segal may revise that valuation or make an appropriate adjustment in the next valuation.
- Segal's report shall be deemed to be final and accepted by OCERS upon delivery and review. OCERS should notify Segal immediately of any questions or concerns about the final content.

Section 2: Actuarial Valuation Results

A. Member information

The Actuarial Valuation and Review considers the number and demographic characteristics of covered members, including active members, inactive vested members, retired members and beneficiaries.

This section presents a summary of significant statistical data on these member groups. More detailed information for this valuation year and the preceding valuation can be found in *Section 3, Exhibits A, B, and C.*

Member Population

As of December 31	Active Members	Inactive Members ¹²	Retired Members and Beneficiaries	Total Non-Actives	Ratio of Non-Actives to Actives	Ratio of Retired Members and Beneficiaries to Actives
2016	21,746	5,370	16,369	21,739	1.00	0.75
2017	21,721	5,803	16,947	22,750	1.05	0.78
2018	21,929	6,026	17,674	23,700	1.08	0.81
2019	22,257	6,520	18,420	24,940	1.12	0.83
2020	21,559	6,818	19,419	26,237	1.22	0.90
2021	22,011	7,238	19,826	27,064	1.23	0.90
2022	22,061	7,894	20,678	28,572	1.30	0.94
2023	22,782	8,579	21,283	29,862	1.31	0.93
2024	23,368	9,377	21,740	31,117	1.33	0.93
2025	22,797	10,132	22,244	32,376	1.42	0.98

¹² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

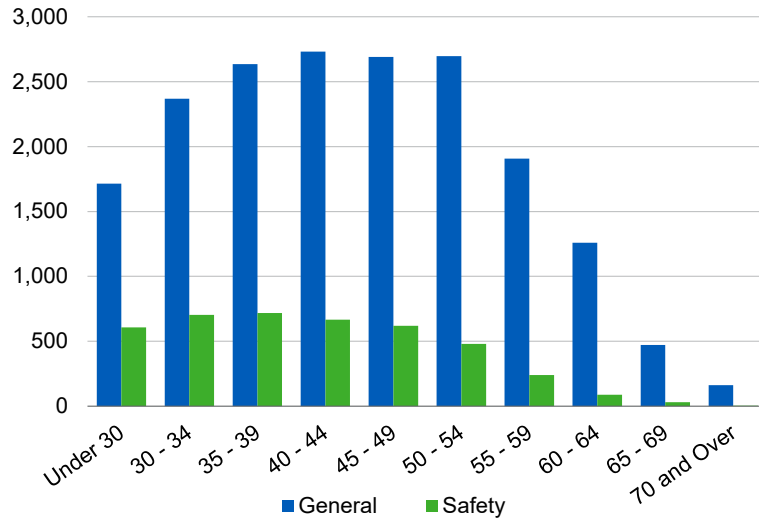
Section 2: Actuarial Valuation Results

Active members

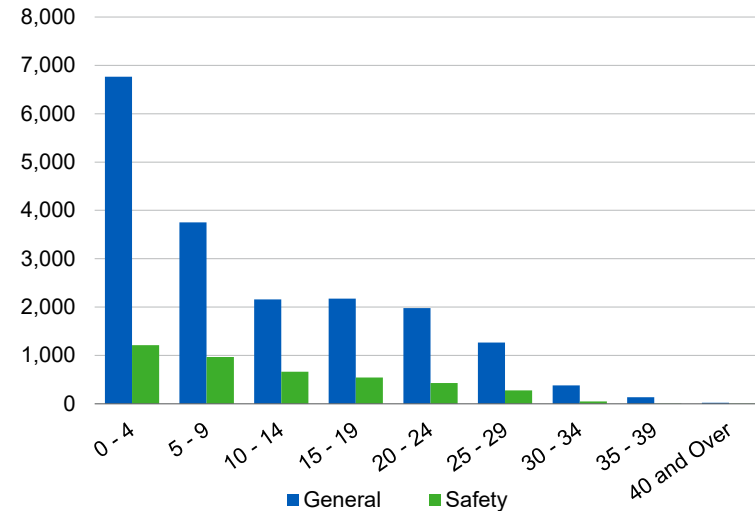
Demographic Data	As of December 31, 2025	As of December 31, 2024	Change
Active members	22,797	23,368	(2.4)%
Average age ¹³	44.3	44.1	0.2
Average years of service	11.6	11.3	0.3
Average compensation	\$112,701	\$106,048	6.3%

Distribution of Active Members as of December 31, 2025

Actives by Age



Actives by Years of Service



Inactive members

Demographic Data	As of December 31, 2025	As of December 31, 2024	Change
Inactive members ¹⁴	10,132	9,377	8.1%

¹³ Among the active members, there were none with unknown age information.

¹⁴ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

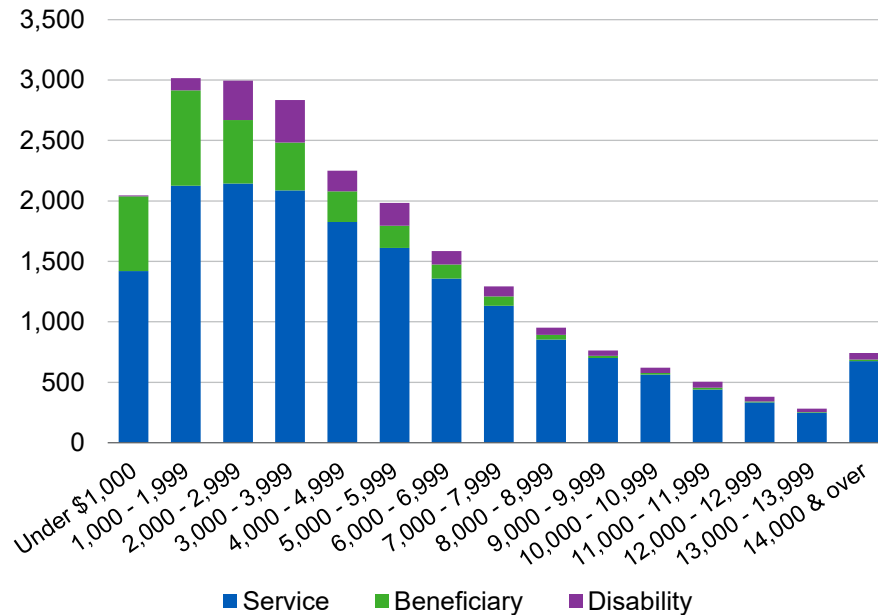
Section 2: Actuarial Valuation Results

Retired members and beneficiaries

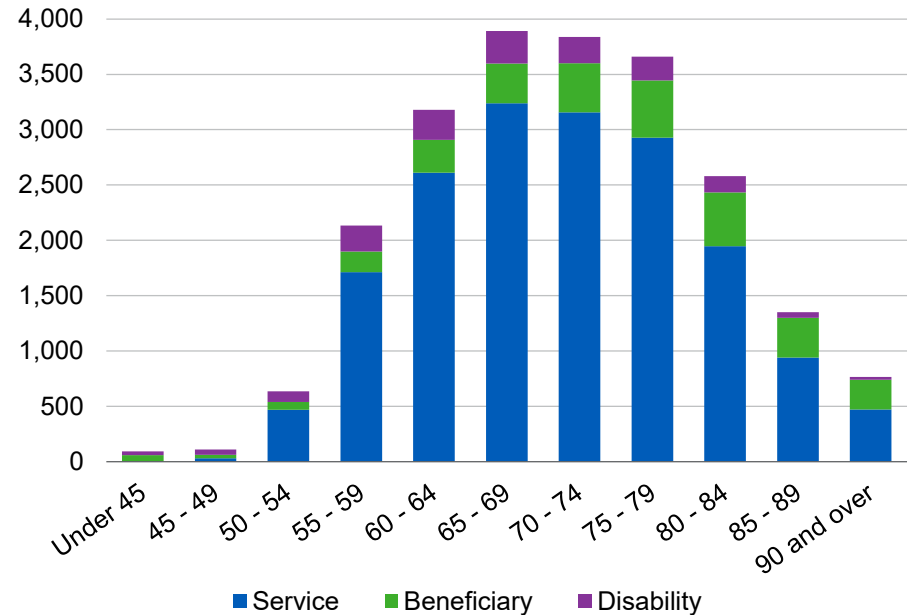
Demographic Data	As of December 31, 2025	As of December 31, 2024	Change
Retired members	19,171	18,748	2.3%
Beneficiaries	3,073	2,992	2.7%
Average age	71.1	70.9	0.2
Average monthly amount ¹⁵	\$5,070	\$4,892	3.6%
Total monthly amount	\$112,783,934	\$106,360,824	6.0%

Distribution of Retired Members and Beneficiaries as of December 31, 2025

By Type and Monthly Amount



By Type and Age



¹⁵ Excludes monthly benefits payable from the STAR COLA.

Section 2: Actuarial Valuation Results

Historical plan population

The chart below demonstrates the progression of the active population over the last ten years. The chart also shows the growth among the retired population over the same time period.

Historical Member Data
Active Members versus Retired Members and Beneficiaries (Pay Status)

As of December 31	Active Count	Active Average Age	Active Average Service	Pay Status Count	Pay Status Average Age	Pay Status Monthly Amount¹⁶
2016	21,746	45.4	12.9	16,369	69.7	\$3,637
2017	21,721	45.3	12.9	16,947	69.8	3,745
2018	21,929	45.1	12.8	17,674	70.0	3,913
2019	22,257	44.9	12.5	18,420	70.1	4,077
2020	21,559	44.8	12.5	19,419	70.2	4,251
2021	22,011	44.9	12.4	19,826	70.4	4,379
2022	22,061	44.5	12.0	20,678	70.4	4,563
2023	22,782	44.2	11.5	21,283	70.6	4,737
2024	23,368	44.1	11.3	21,740	70.9	4,892
2025	22,797	44.3	11.6	22,244	71.1	5,070

¹⁶ Excludes monthly benefits payable from the STAR COLA.

Section 2: Actuarial Valuation Results

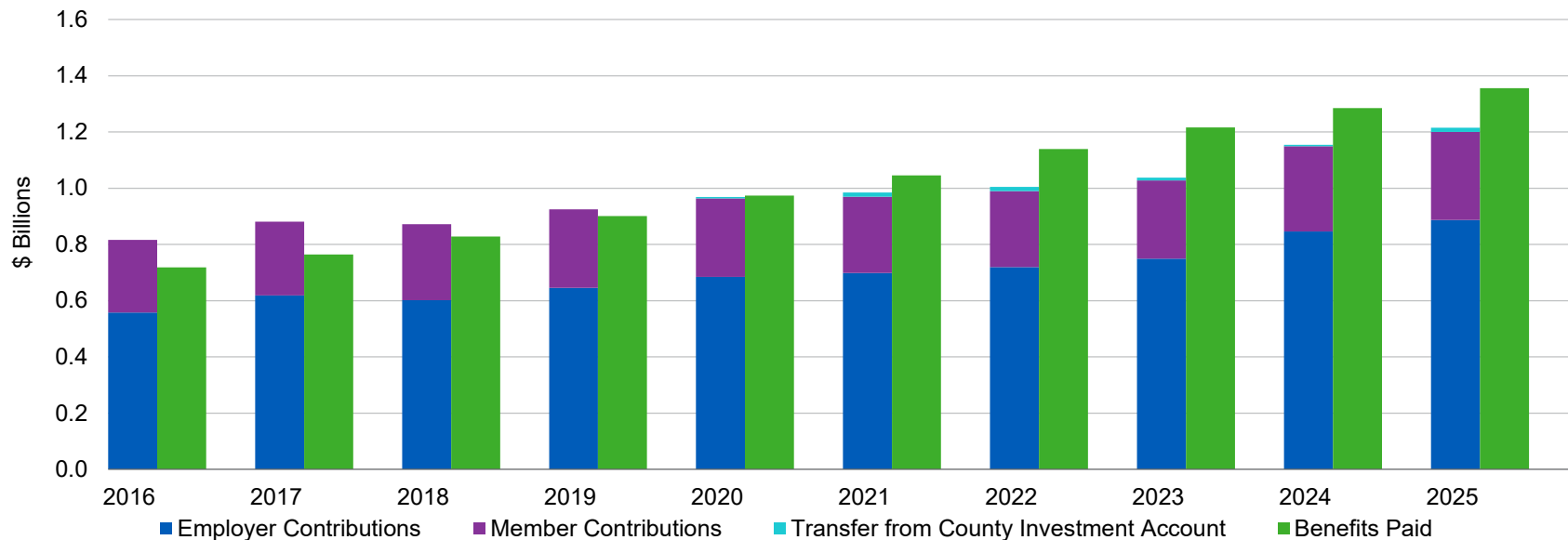
B. Financial information

Retirement plan funding anticipates that, over the long term, both contributions and investment earnings (less investment fees and administrative expenses) will be needed to cover benefit payments. Retirement plan assets change as a result of the net impact of these income and expense components.

Additional financial information, including a summary of transactions for the valuation year, is presented in *Section 3, Exhibits D, E, F and G*.

It is desirable to have level and predictable plan costs from one year to the next. For this reason, the Board has approved an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the valuation asset value and the plan costs are more stable. The amount of the adjustment to recognize market value is treated as income, which may be positive or negative. Realized and unrealized gains and losses are treated equally and, therefore, the sale of assets has no immediate effect on the actuarial value.

Comparison of Contributions Made with Benefits for Years Ended December 31



Section 2: Actuarial Valuation Results

Determination of Actuarial Value and Valuation Value of Assets for Year Ended December 31, 2025

Step	Actual Return	Expected Return	Investment Gain/(Loss)	Percent Deferred	Deferred Amount	Amount
1. Market value of assets ¹⁷						\$27,478,757,000
2. Calculation of unrecognized return						
a. Year ended December 31, 2021	\$3,273,348,000	\$1,293,495,000	\$1,979,853,000	0%	\$0	
b. Year ended December 31, 2022	(2,106,139,000)	1,518,273,000	(3,624,412,000)	20%	(724,882,000)	
c. Year ended December 31, 2023	2,258,475,000	1,361,890,000	896,585,000	40%	358,634,000	
d. Year ended December 31, 2024	2,280,223,000	1,510,032,000	770,191,000	60%	462,115,000	
e. Year ended December 31, 2025	3,822,920,000	1,660,556,000	2,162,364,000	80%	1,729,891,000	
f. Total deferred return¹⁸						\$1,825,758,000
3. Actuarial value of assets: 1 – 2f						\$25,652,999,000
4. Ratio of actuarial to market value: 3 ÷ 1						93.36%
5. Non-valuation reserves						
a. Unclaimed member deposit						\$0
b. Medicare medical insurance reserve						0
c. Total non-valuation reserves						\$0
6. Valuation value of assets: 3 – 5c						\$25,652,999,000

Note: Results may be slightly off due to rounding.

¹⁷ Excludes \$161,418,000 in County Investment Account (funded by pension obligation bond proceeds held by OCERS), \$41,549,000 in Prepaid Employer Contributions and \$20,136,000 in O.C. Sanitation District UAAL Deferred Account.

¹⁸ Total deferred return is equal to the **sum of 2a through 2e**. The total deferred return as of December 31, 2025 is recognized in each of the next four years as follows:

a. Amount recognized on December 31, 2026	\$40,946,000
b. Amount recognized on December 31, 2027	765,828,000
c. Amount recognized on December 31, 2028	586,511,000
d. Amount recognized on December 31, 2029	432,473,000

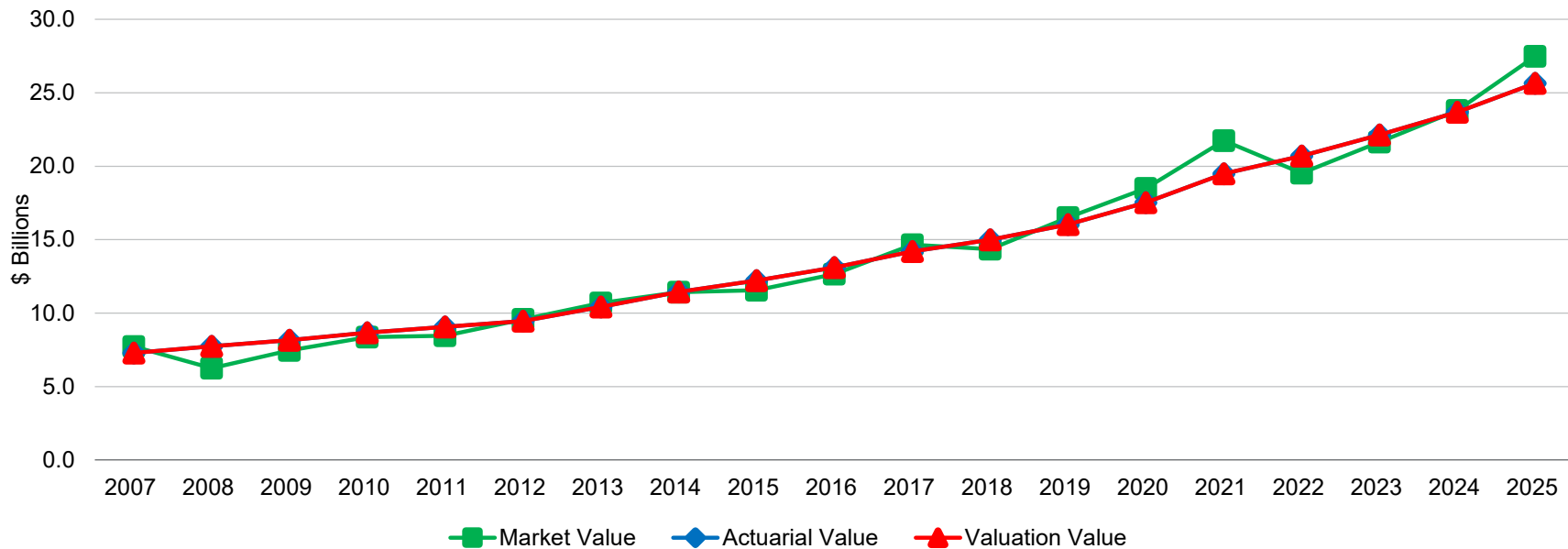
Section 2: Actuarial Valuation Results

Asset history

The market value, actuarial value and valuation value of assets are representations of the Plan's financial status. As investment gains and losses are gradually taken into account, the actuarial value of assets tracks the market value of assets. The valuation value of assets is generally the actuarial value, excluding any non-valuation reserves.

The valuation value of assets is significant because the Plan's liabilities are compared to these assets to determine what portion, if any, remains unfunded. Amortization of the UAAL is an important element in determining the contribution requirement.

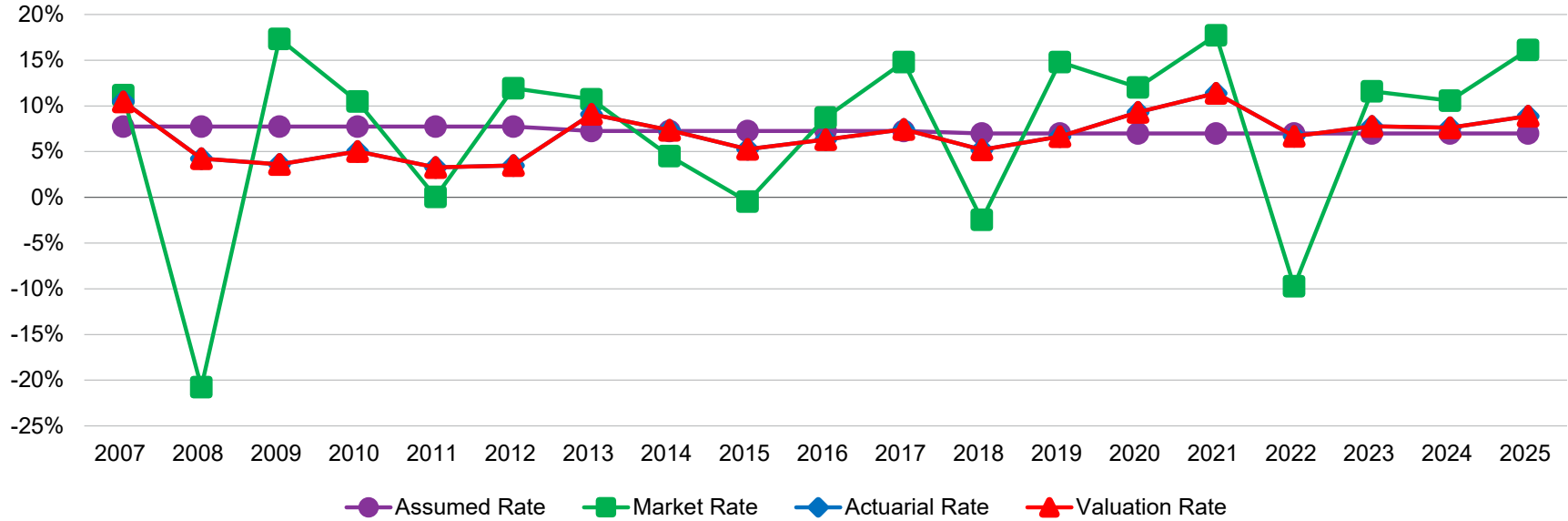
Market Value, Actuarial Value, and Valuation Value of Assets as of December 31



Section 2: Actuarial Valuation Results

Historical investment returns

Market, Actuarial and Valuation Rates of Return for Years Ended December 31



Legend	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Market rate	11.18% (20.76%)	17.32%	10.47%	0.04%	11.92%	10.73%	4.52%	(0.45%)	8.72%	14.79%	(2.46%)	14.79%	12.01%	17.71%	(9.71%)	11.61%	10.57%	16.12%	
Actuarial rate	10.49%	4.23%	3.60%	5.02%	3.28%	3.49%	9.11%	7.34%	5.26%	6.33%	7.44%	5.20%	6.66%	9.31%	11.38%	6.69%	7.77%	7.61%	8.88%
Valuation rate	10.45%	4.25%	3.62%	5.02%	3.29%	3.49%	9.11%	7.34%	5.26%	6.33%	7.44%	5.20%	6.66%	9.31%	11.38%	6.69%	7.77%	7.61%	8.88%
Assumed rate	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.25%	7.25%	7.25%	7.25%	7.25%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%

Average Rates of Return	Market Value	Actuarial Value	Valuation Value
Most recent five-year geometric average return:	8.78%	8.45%	8.45%
Most recent 10-year geometric average return:	9.08%	7.71%	7.71%
Most recent 15-year geometric average return:	7.78%	7.03%	7.03%

Section 2: Actuarial Valuation Results

C. Actuarial experience

To calculate any actuarially determined contribution, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year actual experience is measured against the assumptions. If overall experience is more favorable than anticipated (an actuarial gain), the actuarially determined contribution will decrease from the previous year. On the other hand, the actuarially determined contribution will increase if overall actuarial experience is less favorable than expected (an actuarial loss).

Taking account of experience gains or losses in one year without making a change in assumptions reflects the belief that the single year's experience was a short-term development and that, over the long term, experience will return to the original assumptions. For contribution requirements to remain stable, assumptions should approximate experience.

If assumptions are changed, the contribution requirement is adjusted to take into account a change in experience anticipated for all future years. There are no changes in actuarial assumptions reflected in this valuation.

The actuarial experience for the year can be found below and a discussion of the major components can be found on the following pages.

Actuarial Experience for Year Ended December 31, 2025

Source	Amount
1. Net gain from investments ¹⁹	\$(443,938,000)
2. Net loss from contributions	158,000
3. Net gain from additional UAAL contributions ²⁰	(21,576,000)
4. Net loss from other experience ²¹	160,101,000
5. Net experience gain	\$(305,255,000)

¹⁹ Details on next page.

²⁰ Includes additional UAAL contributions from OCFA and scheduled payments from DOE and U.C.I.

²¹ See *Subsection E* for further details. Does not include the effect of plan, method or assumption changes, if any.

Section 2: Actuarial Valuation Results

Investment experience

A major component of projected asset growth is the assumed rate of return. The assumed return should represent the expected long-term rate of return, based on the Plan's investment policy.

For valuation purposes, the assumed rate of return on the valuation value of assets is 7.00% based on the December 31, 2024 valuation. The actual rate of return on a valuation basis for the 2025 plan year was 8.88% after recognizing a portion of this year's investment gain and a portion of prior years' investment gains and losses. Since the actual return for the year was greater than the assumed return, the Plan experienced an actuarial gain during the year ended December 31, 2025 with regard to its investments.

Investment Experience for Year Ended December 31, 2025

Line Description	Market Value	Actuarial Value	Valuation Value
1. Net investment income	\$3,822,920,000	\$2,097,472,000	\$2,097,472,000
2. Average value of assets	\$23,722,226,000	\$23,621,916,000	\$23,621,916,000
3. Rate of return: $1 \div 2$	16.12%	8.88%	8.88%
4. Assumed rate of return	7.00%	7.00%	7.00%
5. Expected investment income: 2×4	\$1,660,556,000	\$1,653,534,000	\$1,653,534,000
6. Investment gain/(loss): $1 - 5$	\$2,162,364,000	\$443,938,000	\$443,938,000

Section 2: Actuarial Valuation Results

Contributions

Contributions for the year ended December 31, 2025 totaled \$1,222.4 million, compared to the projected amount of \$1,201.7 million. This resulted in a gain of \$21.4 million²² for the year, when adjusted for timing.

Other experience

There are other differences between the expected and the actual experience that appear when the new valuation is compared with the projections from the previous valuation. These include:

- Mortality experience (more or fewer than expected deaths)
- The extent of turnover among members
- Retirement experience (earlier or later than projected)
- The number of disability retirements (more or fewer than projected)
- Salary increases (greater or smaller than projected)
- Cost-of-living adjustments (COLAs) higher or lower than anticipated

The net loss from this other experience for the year ended December 31, 2025 amounted to \$160.1 million, which is 0.54% of the actuarial accrued liability. See *Section 2, Subsection E* for a detailed development of the UAAL.

²² Includes additional UAAL contributions from OCFA and scheduled payments from DOE and U.C.I. Without those amounts, there would have been a contribution loss of about \$158,000.

Section 2: Actuarial Valuation Results

D. Other changes impacting the actuarial accrued liability

Actuarial assumptions and methods

The Board approved a change in methodology for allocating the COLA normal cost for Safety legacy members with 30 or more years of service. Prior to the December 31, 2025 valuation, the COLA normal cost for these members was allocated to the remaining Safety legacy members who had less than 30 years of service. Effective with this valuation, the COLA normal cost has been allocated to the employer resulting in slightly lower member contribution rates for Safety legacy members.

Details on actuarial assumptions and methods are in *Section 4, Exhibit 1*.

Plan provisions

There were no changes in plan provisions since the prior valuation.

A summary of plan provisions is in *Section 4, Exhibit 2*.

Section 2: Actuarial Valuation Results

E. Unfunded actuarial accrued liability

Development of Unfunded Actuarial Accrued Liability for Year Ended December 31, 2025

Line Description	Amount
1. Unfunded actuarial accrued liability at beginning of year	\$4,569,636,000
2. Normal cost at middle of year	625,145,000
3. Expected employer and member contributions	(1,201,683,000)
4. Interest to end of year	298,523,000
5. Expected unfunded actuarial accrued liability at end of year	\$4,291,621,000
6. Changes due to:	
a. Investment return greater than expected, after asset smoothing	\$(443,938,000)
b. Actual contributions less than expected under funding policy	158,000
c. Additional UAAL contributions from OCFA, and scheduled payments ²³ from DOE and U.C.I.	(21,576,000)
d. Individual salary increases greater than expected	191,395,000
e. COLA increases greater than expected in 2026 ²⁴	6,056,000
f. Other net experience gain ²⁵	(37,350,000)
g. Total changes	\$(305,255,000)
7. Unfunded actuarial accrued liability at end of year: 5 + 6g	\$3,986,366,000

Note: The sum of items 6d, 6e and 6f equals the “Net (gain)/loss from other experience” shown in *Section 2, Subsection C*.

²³ Segal provided separate letters for DOE and U.C.I. with regard to their required UAAL contributions based on the Board's Declining Employer Payroll policy. These contributions have not been reflected in the contribution rates developed in this valuation. Segal also provided separate letters for O.C. Vector Control and Cypress Recreation and Parks (CRPD) with regard to their updated withdrawal liabilities based on the Board's Withdrawing Employer Policy, although no contributions were required to be made by O.C. Vector Control and CRPD during the past calendar year. CRPD and O.C. Vector Control both had no withdrawal liability as of December 31, 2024.

²⁴ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.00%, 3.00% COLA expected to be paid April 1st 2026 for members without COLA Banks as of April 1, 2026).

²⁵ Other differences in actual versus expected experience including (but not limited to) mortality, retirement, disability and termination experience.

Section 2: Actuarial Valuation Results

F. Recommended contribution

The recommended contribution is equal to the employer normal cost payment and a payment on the UAAL. As of December 31, 2025, the average recommended employer contribution is 35.78% of payroll.

The Board sets the funding policy used to calculate the recommended contribution based on layered 20-year²⁶ amortization periods as a level percentage of payroll. See *Section 4, Exhibit 1* for further details on the funding policy. Based on this policy, there is no negative amortization and each amortization layer is fully funded in 20 years. A more detailed projection of the UAAL, funded status and employer contribution rates will be provided in a separate report.

The current funding policy is intended to fully fund the cost of the benefits and to allocate the cost of benefits reasonably and equitably over time while minimizing the volatility of employer contributions. The recommended contribution is expected to remain level as a percent of payroll, except when any current amortization layer is fully amortized and assuming there are no future actuarial gains or losses. Furthermore, the funded ratio is expected to increase as the UAAL is methodically funded by employer contributions.

The recommended contribution under the funding policy is a “Reasonable Actuarially Determined Contribution” as required under Actuarial Standard of Practice No. 4 Measuring Pension Obligations and Determining Pension Plan Costs or Contributions.

²⁶ Changes in UAAL due to actuarial gains or losses, changes in actuarial assumptions or methods, and plan amendments for each valuation are amortized over separate 20-year periods.

Section 2: Actuarial Valuation Results

Average Recommended Employer Contribution Calculated as of December 31

Line Description	2025 Amount (\$ in '000s)	2025 % of Projected Compensation	2024 Amount (\$ in '000s)	2024 % of Projected Compensation
1. Total normal cost	\$641,726	24.98%	\$625,145	25.23%
2. Expected member normal cost contributions	(295,766)	(11.51%)	287,663	11.61%
3. Employer normal cost: 1 – 2	\$345,960	13.47%	\$337,482	13.62%
4. Actuarial accrued liability	\$29,639,365		\$28,258,622	
5. Valuation value of assets	25,652,999		23,688,986	
6. UAAL: 4 – 5	\$3,986,366		\$4,569,636	
7. Payment on UAAL	573,116	22.31%	576,538	23.26%
8. Average recommended employer contribution: 3 + 7	\$919,076	35.78%	\$914,020	36.88%
9. Projected payroll	\$2,569,239		\$2,478,139	

Note: Contributions are assumed to be paid at the middle of the year.

Section 2: Actuarial Valuation Results

Reconciliation of average recommended employer contribution rate

Reconciliation from December 31, 2024 to December 31, 2025

Item	Contribution Rate	Estimated Annual Dollar Amount (\$ in '000s) ²⁷
1. Average recommended employer contribution as of December 31, 2024	36.76%	\$944,611
2. Changes due to:		
a. Effect of investment gain (after smoothing)	(1.25%)	(32,116)
b. Effect of additional UAAL contributions from OCFA	(0.05%)	(1,285)
c. Effect of difference in actual versus expected contributions ²⁸	0.00%	0
d. Effect of higher than expected COLA increases in 2026 ²⁹	0.02%	514
e. Effect of difference in actual versus expected salary increases	0.54%	13,874
f. Effect of growth in total payroll more than expected	(0.14%)	(3,597)
g. Effect of the employer picking up the COLA normal cost contributions for members with over 30 years of service	0.03%	771
h. Effect of other experience gains ^{30,31}	(0.13%)	(3,696)
i. Subtotal	(0.98%)	\$(25,535)
3. Average recommended employer contribution as of December 31, 2025: 1 + 2i	35.78%	\$919,076

²⁷ Based on December 31, 2025 projected annual compensation as shown on page 48.

²⁸ Includes impact of difference between actual and expected normal cost and UAAL contributions due to actual payroll different than expected during 2025.

²⁹ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.00%, 3.00% COLA expected to be paid April 1st 2026 for members without COLA Banks as of April 1, 2026).

³⁰ Net of an adjustment to reflect 18-month delay between date of valuation and date of rate implementation for all actuarial experience of -0.01%.

³¹ Net of an effect of adjusting the rate to normal cost for Rates Groups that are fully funded as of December 31, 2025.

Section 2: Actuarial Valuation Results

Reconciliation of average recommended member contribution rate

Reconciliation from December 31, 2024 to December 31, 2025

Item	Contribution Rate	Estimated Annual Dollar Amount (\$ in '000s) ³²
1. Average recommended member contribution as of December 31, 2024 ³³	11.56%	\$296,954
2. Changes due to:		
a. Effect of changes in demographics	(0.02%)	\$(514)
b. Effect of the employer picking up the COLA normal cost contributions for members with over 30 years of service	(0.03%)	(674)
3. Average recommended member contribution as of December 31, 2025: 1 + 2a + 2b	11.51%	\$295,766

³² Based on December 31, 2025 projected annual compensation as shown on page 48.

³³ Rates have been recalculated by applying the individual entry age-based rates determined in the December 31, 2024 valuation to the System membership as of December 31, 2025.

Section 2: Actuarial Valuation Results

Recommended employer contribution rate

Rate Group #1 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ³⁴ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ³⁴ (\$ in '000s)
Plans A and B (2.0% @ 57 and 1.64% @ 57 – County and IHSS)				
Normal cost	10.39%	\$2,843	10.39%	\$2,843
UAAL ³⁵	2.69%	736	3.01%	824
Total contribution	13.08%	\$3,579	13.40%	\$3,667
Plan U (2.5% @ 67 PEPR)³⁶				
Normal cost	10.44%	\$9,352	10.47%	\$9,379
UAAL ³⁵	2.69%	2,410	3.01%	2,696
Total contribution	13.13%	\$11,762	13.48%	\$12,075
Plans A, B and U Combined				
Normal cost	10.43%	\$12,195	10.45%	\$12,222
UAAL ³⁵	2.69%	3,146	3.01%	3,520
Total contribution	13.12%	\$15,341	13.46%	\$15,742

³⁴ Based on December 31, 2025 projected annual compensation as shown on page 48.

³⁵ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

³⁶ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #2 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ³⁷ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ³⁷ (\$ in '000s)
Plans I and J (2.7% @ 55 – non-Children and Families Commission)³⁸				
Normal cost	15.25%	\$95,633	15.29%	\$95,884
UAAL ³⁹	25.54%	160,161	25.96%	162,795
Total contribution	40.79%	\$255,794	41.25%	\$258,679
Plans I and J (2.7% @ 55 – Children and Families Commission)				
Normal cost	15.25%	\$82	15.29%	\$82
UAAL ^{39,40}	5.08%	27	5.63%	30
Total contribution	20.33%	\$109	20.92%	\$112
Plans O and P (1.62% @ 65)				
Normal cost	6.62%	\$1,016	6.68%	\$1,025
UAAL ³⁹	25.54%	3,920	25.96%	3,985
Total contribution	32.16%	\$4,936	32.64%	\$5,010
Plan S (2.0% @ 57)				
Normal cost ⁴¹	16.74%	\$186	16.00%	\$178
UAAL ³⁹	25.54%	284	25.96%	289
Total contribution	42.28%	\$470	41.96%	\$467
Plan T (1.62% @ 65 PEPR)⁴²				
Normal cost	7.33%	\$52,083	7.37%	\$52,367
UAAL ³⁹	25.54%	181,472	25.96%	184,456
Total contribution	32.87%	\$233,555	33.33%	\$236,823

³⁷ Based on December 31, 2025 projected annual compensation as shown on page 48.

³⁸ For Orange County Employees Retirement System (the employer) with future service only benefit improvements under 2.7% @ 55, refer to the employer rates on page 49.

³⁹ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁴⁰ UAAL rate has been adjusted to reflect future service only benefit improvement under 2.7% @ 55.

⁴¹ There are only six active members in Plan S as of December 31, 2025, and the increase in the employer normal cost rate from last year to this year is primarily due to three actives with lower normal cost rates retiring or terminating during 2025.

⁴² Applicable for members hired on or after January 1, 2013 except for County Attorneys, SJC members, OCERS management members, Superior Court members, and Children and Families members.

Section 2: Actuarial Valuation Results

Rate Group #2 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁴³ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁴³ (\$ in '000s)
Plan U (2.5% @ 67 PEPRA – non-Children and Families Commission)^{44,45}				
Normal cost	9.10%	\$14,455	9.09%	\$14,439
UAAL ⁴⁶	25.54%	40,570	25.96%	41,237
Total contribution	34.64%	\$55,025	35.05%	\$55,676
Plan U (2.5% @ 67 PEPRA – Children and Families Commission)⁴⁷				
Normal cost	9.10%	\$137	9.09%	\$137
UAAL ^{46,48}	5.08%	77	5.63%	85
Total contribution	14.18%	\$214	14.72%	\$222
Plan W (1.62% @ 65 PEPRA)⁴⁹				
Normal cost ⁵⁰	9.83%	\$18	9.27%	\$17
UAAL ⁴⁶	25.54%	46	25.96%	47
Total contribution	35.37%	\$64	35.23%	\$64
Plans I, J, O, P, S, T, U and W Combined				
Normal cost	10.80%	\$163,610	10.83%	\$164,129
UAAL ⁴⁶	25.51%	386,557	25.93%	392,924
Total contribution	36.31%	\$550,167	36.76%	\$557,053

⁴³ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁴⁴ Applicable for County Attorneys, SJC members, OCERS management members, and Superior Court members hired on or after January 1, 2013.

⁴⁵ For Orange County Employees Retirement System (the employer) with future service only benefit improvements under 2.7% @ 55, refer to the employer rates on page 49.

⁴⁶ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁴⁷ Applicable for Children and Family members hired on or after January 1, 2013.

⁴⁸ UAAL rate has been adjusted to reflect future service only benefit improvement under 2.7% @ 55.

⁴⁹ Applicable for SJC members hired on or after January 1, 2016 and not electing Plan U.

⁵⁰ There is only one active member in Plan W as of December 31, 2025, and the increase in the employer normal cost rate from last year to this year is primarily due to a reduction in the member's full-time equivalent salary reported by OCERS this year to be less than the PEPRA salary limit.

Section 2: Actuarial Valuation Results

Rate Group #3 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁵¹ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁵¹ (\$ in '000s)
Plans G and H (2.5% @ 55 – OCSD)				
Normal cost	13.96%	\$3,830	14.03%	\$3,849
UAAL ^{52,53}	0.00%	0	0.00%	0
Total contribution	13.96%	\$3,830	14.03%	\$3,849
Plan B (1.64% @ 57 – OCSD)				
Normal cost	13.25%	\$975	13.25%	\$975
UAAL ^{52,53}	0.00%	0	0.00%	0
Total contribution	13.25%	\$975	13.25%	\$975
Plan U (2.5% @ 67 PEPR A)⁵⁴				
Normal cost	9.85%	\$5,921	9.87%	\$5,933
UAAL ^{52,53}	0.00%	0	0.00%	0
Total contribution	9.85%	\$5,921	9.87%	\$5,933
Plans B, G, H and U Combined				
Normal cost	11.30%	\$10,726	11.33%	\$10,757
UAAL ^{52,53}	0.00%	0	0.00%	0
Total contribution	11.30%	\$10,726	11.33%	\$10,757

⁵¹ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁵² UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁵³ Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio of the total plan is over 120% and other conditions in CalPEPRA are met.

⁵⁴ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #5 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁵⁵ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁵⁵ (\$ in '000s)
Plans A and B (2.0% @ 57 and 1.64% @ 57 – OCTA)				
Normal cost	12.35%	\$8,203	12.53%	\$8,323
UAAL ⁵⁶	15.15%	10,063	16.71%	11,099
Total contribution	27.50%	\$18,266	29.24%	\$19,422
Plan U (2.5% @ 67 PEPR)⁵⁷				
Normal cost	11.90%	\$8,930	12.06%	\$9,050
UAAL ⁵⁶	15.15%	11,369	16.71%	12,539
Total contribution	27.05%	\$20,299	28.77%	\$21,589
Plans A, B and U Combined				
Normal cost	12.11%	\$17,133	12.28%	\$17,373
UAAL ⁵⁶	15.15%	21,432	16.71%	23,638
Total contribution	27.26%	\$38,565	28.99%	\$41,011

⁵⁵ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁵⁶ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁵⁷ Applicable for members hired on or after January 1, 2015.

Section 2: Actuarial Valuation Results

Rate Group #9 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁵⁸ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁵⁸ (\$ in '000s)
Plans M and N (2.0% @ 55 – TCA)				
Normal cost ⁵⁹	16.97%	\$537	16.08%	\$509
UAAL ^{60,61}	0.00%	0	0.00%	0
Total contribution	16.97%	\$537	16.08%	\$509
Plan U (2.5% @ 67 PEPR A)⁶²				
Normal cost	11.57%	\$667	11.48%	\$662
UAAL ^{60,61}	0.00%	0	0.00%	0
Total contribution	11.57%	\$667	11.48%	\$662
Plans M, N and U Combined				
Normal cost	13.48%	\$1,204	13.11%	\$1,171
UAAL ^{60,61}	0.00%	0	0.00%	0
Total contribution	13.48%	\$1,204	13.11%	\$1,171

⁵⁸ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁵⁹ There are only 18 active members in Plan N as of December 31, 2025, and the increase in the employer normal cost rate from last year to this year is primarily due to the change in average entry age from 35.9 to 37.4.

⁶⁰ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁶¹ Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio of the total plan is over 120% and other conditions in CalPEPRA are met.

⁶² Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #10 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁶³ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁶³ (\$ in '000s)
Plans I and J (2.7% @ 55 – OCFA)				
Normal cost	15.43%	\$1,059	15.54%	\$1,066
UAAL ⁶⁴	9.00%	617	10.08%	692
Total contribution	24.43%	\$1,676	25.62%	\$1,758
Plans M and N (2.0% @ 55 – OCFA)				
Normal cost	17.86%	\$946	17.84%	\$945
UAAL ⁶⁴	9.00%	477	10.08%	534
Total contribution	26.86%	\$1,423	27.92%	\$1,479
Plan U (2.5% @ 67 PEPRA)⁶⁵				
Normal cost	10.05%	\$2,805	9.95%	\$2,777
UAAL ⁶⁴	9.00%	2,512	10.08%	2,813
Total contribution	19.05%	\$5,317	20.03%	\$5,590
Plans I, J, M, N and U Combined				
Normal cost	12.00%	\$4,810	11.95%	\$4,788
UAAL ⁶⁴	9.00%	3,606	10.08%	4,039
Total contribution	21.00%	\$8,416	22.03%	\$8,827

⁶³ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁶⁴ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁶⁵ Applicable for members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

Rate Group #11 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁶⁶ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁶⁶ (\$ in '000s)
Plans M and N, future service (2.0% @ 55 – Cemetery)				
Normal cost	12.72%	\$153	12.96%	\$155
UAAL ⁶⁷	0.73%	9	1.72%	21
Total contribution	13.45%	\$162	14.68%	\$176
Plan U (2.5% @ 67 PEPR)⁶⁸				
Normal cost ⁶⁹	11.43%	\$141	11.91%	\$147
UAAL ⁶⁷	0.73%	9	1.72%	21
Total contribution	12.16%	\$150	13.63%	\$168
Plans M, N and U Combined				
Normal cost	12.07%	\$294	12.40%	\$302
UAAL ⁶⁷	0.73%	18	1.72%	42
Total contribution	12.80%	\$312	14.12%	\$344

⁶⁶ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁶⁷ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁶⁸ Applicable for members hired on or after January 1, 2013.

⁶⁹ There are only 16 active members in Plan U as of December 31, 2025, and the decrease in the employer normal cost rate from last year to this year is primarily due to the change in average entry age from 41.0 to 38.5.

Section 2: Actuarial Valuation Results

Rate Group #12 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁷⁰ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁷⁰ (\$ in '000s)
Plans G and H, future service (2.5% @ 55 – Law Library)				
Normal cost	14.18%	\$122	14.39%	\$124
UAAL ^{71,72,73}	0.00%	0	0.00%	0
Total contribution	14.18%	\$122	14.39%	\$124
Plan U (2.5% @ 67 PEPR A)⁷⁴				
Normal cost	10.71%	\$41	10.52%	\$41
UAAL ^{71,72,73}	0.00%	0	0.00%	0
Total contribution	10.71%	\$41	10.52%	\$41
Plans G, H, future service, and U Combined				
Normal cost	13.07%	\$163	13.23%	\$165
UAAL ^{71,72,73}	0.00%	0	0.00%	0
Total contribution	13.07%	\$163	13.23%	\$165

⁷⁰ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁷¹ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁷² UAAL rate has been adjusted to reflect future service only benefit improvement under 2.5% @ 55.

⁷³ Under CalPEPRA, the employer's contribution rate cannot be less than the normal cost unless the funded ratio of the total plan is over 120% and other conditions in CalPEPRA are met.

⁷⁴ Applicable for members hired on or after January 1, 2013.

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Rate Group #6 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁷⁵ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁷⁵ (\$ in '000s)
Plans E and F (3% @ 50 – Probation)				
Normal cost ⁷⁶	24.55%	\$12,200	23.97%	\$11,912
UAAL ⁷⁷	35.02%	17,404	38.12%	18,944
Total contribution	59.57%	\$29,604	62.09%	\$30,856
Plan V (2.7% @ 57 PEPR A)⁷⁸				
Normal cost	16.21%	\$2,642	16.07%	\$2,620
UAAL ⁷⁷	35.02%	5,709	38.12%	6,214
Total contribution	51.23%	\$8,351	54.19%	\$8,834
Plans E, F and V Combined				
Normal cost	22.49%	\$14,842	22.02%	\$14,532
UAAL ⁷⁷	35.02%	23,113	38.12%	25,158
Total contribution	57.51%	\$37,955	60.14%	\$39,690

⁷⁵ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁷⁶ The normal cost rate increased by 0.29% of payroll due to the employer picking up the COLA normal cost contributions for members with over 30 years of service.

⁷⁷ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁷⁸ Applicable for members hired on or after January 1, 2013.

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Rate Group #7 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁷⁹ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁷⁹ (\$ in '000s)
Plans E and F (3% @ 50 – Law Enforcement)				
Normal cost ⁸⁰	26.75%	\$28,799	26.64%	\$28,680
UAAL ⁸¹	30.76%	33,116	33.32%	35,872
Total contribution	57.51%	\$61,915	59.96%	\$64,552
Plans Q and R (3% @ 55 – Law Enforcement)				
Normal cost	23.66%	\$15,167	23.69%	\$15,186
UAAL ⁸¹	30.76%	19,718	33.32%	21,359
Total contribution	54.42%	\$34,885	57.01%	\$36,545
Plan V (2.7% @ 57 PEPRAs)⁸²				
Normal cost ⁸³	16.77%	\$34,959	17.05%	\$35,543
UAAL ⁸¹	30.76%	64,123	33.32%	69,459
Total contribution	47.53%	\$99,082	50.37%	\$105,002
Plans E, F, Q, R and V Combined				
Normal cost	20.76%	\$78,925	20.88%	\$79,409
UAAL ⁸¹	30.76%	116,957	33.32%	126,690
Total contribution	51.52%	\$195,882	54.20%	\$206,099

⁷⁹ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁸⁰ The normal cost rate increased by 0.05% of payroll due to the employer picking up the COLA normal cost contributions for members with over 30 years of service.

⁸¹ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁸² Applicable for members hired on or after January 1, 2013.

⁸³ Due to the higher-than-expected salary increases, many of these members are now projected to reach the PEPRAs salary limit prior to retirement, which limits the increase in their projected accrued benefits and in turn decreases the normal cost as a percentage of pay. There was a decrease in average entry age for this tier.

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Rate Group #8 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate	2025 Estimated Annual Amount ⁸⁴ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁸⁴ (\$ in '000s)
Plans E and F (3% @ 50 – OCFA)				
Normal cost ⁸⁵	25.13%	\$19,903	25.09%	\$19,871
UAAL ⁸⁶	9.06%	7,176	10.60%	8,395
Total contribution	34.19%	\$27,079	35.69%	\$28,266
Plans Q and R (3% @ 55 – OCFA)				
Normal cost	26.13%	\$7,430	26.20%	\$7,450
UAAL ⁸⁶	9.06%	2,576	10.60%	3,014
Total contribution	35.19%	\$10,006	36.80%	\$10,464
Plan V (2.7% @ 57 PEPR A)⁸⁷				
Normal cost ⁸⁸	15.63%	\$14,725	15.96%	\$15,036
UAAL ⁸⁶	9.06%	8,535	10.60%	9,986
Total contribution	24.69%	\$23,260	26.56%	\$25,022
Plans E, F, Q, R and V Combined				
Normal cost	20.84%	\$42,058	20.98%	\$42,357
UAAL ⁸⁶	9.06%	18,287	10.60%	21,395
Total contribution	29.90%	\$60,345	31.58%	\$63,752

⁸⁴ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁸⁵ The normal cost rate increased by 0.07% of payroll due to the employer picking up the COLA normal cost contributions for members with over 30 years of service.

⁸⁶ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁸⁷ Applicable for members hired on or after January 1, 2013.

⁸⁸ Due to the higher-than-expected salary increases, many of these members are now projected to reach the PEPR A salary limit prior to retirement, which limits the increase in their projected accrued benefits and in turn decreases the normal cost as a percentage of pay. There was a decrease in average entry age for this tier.

Section 2: Actuarial Valuation Results

Total Plan – Recommended Employer Contribution Calculated as of December 31

Component	2025 Contribution Rate	2025 Estimated Annual Amount ⁸⁹ (\$ in '000s)	2024 Contribution Rate	2024 Estimated Annual Amount ⁸⁹ (\$ in '000s)
Rate Groups #1 – #12 Combined				
Normal cost	13.47%	\$345,960	13.51%	\$347,205
UAAL ⁹⁰	22.31%	573,116	23.25%	597,406
Total contribution	35.78%	\$919,076	36.76%	\$944,611

⁸⁹ Based on December 31, 2025 projected annual compensation as shown on page 48.

⁹⁰ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

Section 2: Actuarial Valuation Results

Projected Annual Compensation by Rate Group and Plan (\$ in '000s)

Rate Group and Plan	Projected Annual Compensation	Rate Group and Plan	Projected Annual Compensation	Rate Group and Plan	Projected Annual Compensation
General Employers			Safety Employers		
Rate Group #1 – Plans A and B	\$27,366	Rate Group #3 – Plan U	\$60,111	Rate Group #6 – Plans E and F	\$49,696
Rate Group #1 – Plan U	89,582	Rate Group #5 – Plans A and B	66,424	Rate Group #6 – Plan V	16,301
Rate Group #2 – Plans I and J non-Children and Families Commission	627,100	Rate Group #5 – Plan U	75,041	Rate Group #7 – Plans E and F	107,658
Rate Group #2 – Plans I and J Children and Families Commission	537	Rate Group #9 – Plans M and N	3,167	Rate Group #7 – Plans Q and R	64,102
Rate Group #2 – Plans O and P	15,349	Rate Group #9 – Plan U	5,763	Rate Group #7 – Plan V	208,461
Rate Group #2 – Plan S	1,113	Rate Group #10 – Plans I and J	6,861	Rate Group #8 – Plans E and F	79,200
Rate Group #2 – Plan T	710,541	Rate Group #10 – Plans M and N	5,297	Rate Group #8 – Plans Q and R	28,436
Rate Group #2 – Plan U non-Children and Families Commission	158,850	Rate Group #10 – Plan U	27,911	Rate Group #8 – Plan V	94,210
Rate Group #2 – Plan U Children and Families Commission	1,510	Rate Group #11 – Plans M and N	1,199		
Rate Group #2 – Plan W	180	Rate Group #11 – Plan U	1,236		
Rate Group #3 – Plans G and H	27,436	Rate Group #12 – Plans G and H	862		
Rate Group #3 – Plan B	7,356	Rate Group #12 – Plan U	385		
				Total Combined	\$2,569,241

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Rate Group #2 – Recommended Employer Contribution Calculated as of December 31

Component by Plan	2025 Contribution Rate ⁹¹	2025 Contribution Rate ⁹²	2024 Contribution Rate ⁹¹	2024 Contribution Rate ⁹²
Plans I and J (2.7% @ 55 – OCERS)				
Normal cost	15.25%	15.25%	15.29%	15.29%
UAAL ⁹³	24.40%	25.54%	24.87%	25.96%
Total contribution	39.65%	40.79%	40.16%	41.25%
Plan U (2.5% @ 67 PEPRA – OCERS)⁹⁴				
Normal cost	9.10%	9.10%	9.09%	9.09%
UAAL ⁹³	24.40%	25.54%	24.87%	25.96%
Total contribution	33.50%	34.64%	33.96%	35.05%

⁹¹ These rates are **after** reflecting future service only benefit improvements under 2.7% @ 55.

⁹² These rates are **before** reflecting future service only benefit improvements under 2.7% @ 55.

⁹³ UAAL rate has been adjusted to reflect 18-month delay between date of valuation and date of rate implementation.

⁹⁴ Applicable for Orange County Employees Retirement System members hired on or after January 1, 2013.

Section 2: Actuarial Valuation Results

“Pick-up” discount percentages for non-PEPRA tier members

For every dollar of member contribution “picked up” by the employer for non-PEPRA tier members and not deposited in the member’s contribution account, the employer can contribute less than a dollar. This is because the “pick-up” amount is not deposited in the member’s contribution account and so is not payable to a member who withdraws his or her contributions following termination of employment, and is not payable as an additional death benefit. The contribution discount percentages are as follows:

Rate Group and Plan	2025 Tier 1 Pick-up Percentage	2025 Tier 2 Pick-up Percentage	2024 Tier 1 Pick-up Percentage	2024 Tier 2 Pick-up Percentage
General				
• Rate Group #1 Plan A/B (County and IHSS)	Plan A: N/A	Plan B: 99.47%	Plan A: N/A	Plan B: 99.43%
• Rate Group #2 (2.7% @ 55 – non-OCFA)	Plan I: 100.00%	Plan J: 99.53%	Plan I: 100.00%	Plan J: 99.50%
• Rate Group #2 (1.62% @ 65)	Plan O: N/A	Plan P: 99.24%	Plan O: N/A	Plan P: 99.18%
• Rate Group #2 (2.0% @ 57)		Plan S: 99.32%		Plan S: 99.28%
• Rate Group #3 (2.5% @ 55 – OCSD)	Plan G: N/A	Plan H: 99.56%	Plan G: N/A	Plan H: 99.53%
• Rate Group #3 (1.64% @ 57 – OCSD)		Plan B: 99.29%		Plan B: 99.18%
• Rate Group #5 Plan A/B (OCTA)	Plan A: N/A	Plan B: 99.16%	Plan A: N/A	Plan B: 99.11%
• Rate Group #9 (2.0% @ 55 – TCA)	Plan M: N/A	Plan N: 99.27%	Plan M: N/A	Plan N: 99.28%
• Rate Group #10 (2.7% @ 55 – OCFA)	Plan I: N/A	Plan J: 99.57%	Plan I: N/A	Plan J: 99.54%
• Rate Group #10 (2.0% @ 55 – OCFA)	Plan M: N/A	Plan N: 99.46%	Plan M: N/A	Plan N: 99.43%
• Rate Group #11 (2.0% @ 55 – Cemetery)	Plan M: N/A	Plan N: 99.71%	Plan M: N/A	Plan N: 99.72%
• Rate Group #12 (2.5% @ 55 – Law Library)	Plan G: N/A	Plan H: 99.62%	Plan G: N/A	Plan H: 99.65%
Safety				
• Rate Group #6 (3.0% @ 50 – Probation)	Plan E: N/A	Plan F: 99.82%	Plan E: N/A	Plan F: 99.81%
• Rate Group #7 (3.0% @ 50 – Law Enforcement)	Plan E: N/A	Plan F: 99.91%	Plan E: N/A	Plan F: 99.90%
• Rate Group #7 (3.0% @ 55 – Law Enforcement)	Plan Q: N/A	Plan R: 99.82%	Plan Q: N/A	Plan R: 99.80%
• Rate Group #8 (3.0% @ 50 – OCFA)	Plan E: N/A	Plan F: 99.89%	Plan E: N/A	Plan F: 99.88%
• Rate Group #8 (3.0% @ 55 – OCFA)	Plan Q: N/A	Plan R: 99.85%	Plan Q: N/A	Plan R: 99.83%

Section 2: Actuarial Valuation Results

“Pick-up” average entry age

The following table provides the average entry age by employer used in determining the “pick-up” contributions under Section 31581.1.

Employer	Code	Average Entry Age for All non-PEPRA Members
General		
• Orange County	101	30
• Cemetery District	102	27
• Law Library	103	38
• Retirement System	105	30
• OCFA	106	31
• Transportation Corridor Agency	109	33
• City of San Juan Capistrano	110	31
• Sanitation District	111	32
• OCTA	112	33
• Children & Families Commission	118	28
• Local Agency Formation Commission	119	50
• Superior Court	121	30
• IHSS Public Authority	122	44
Safety		
• Probation	101	26
• Law Enforcement	101	26
• OCFA	106	27

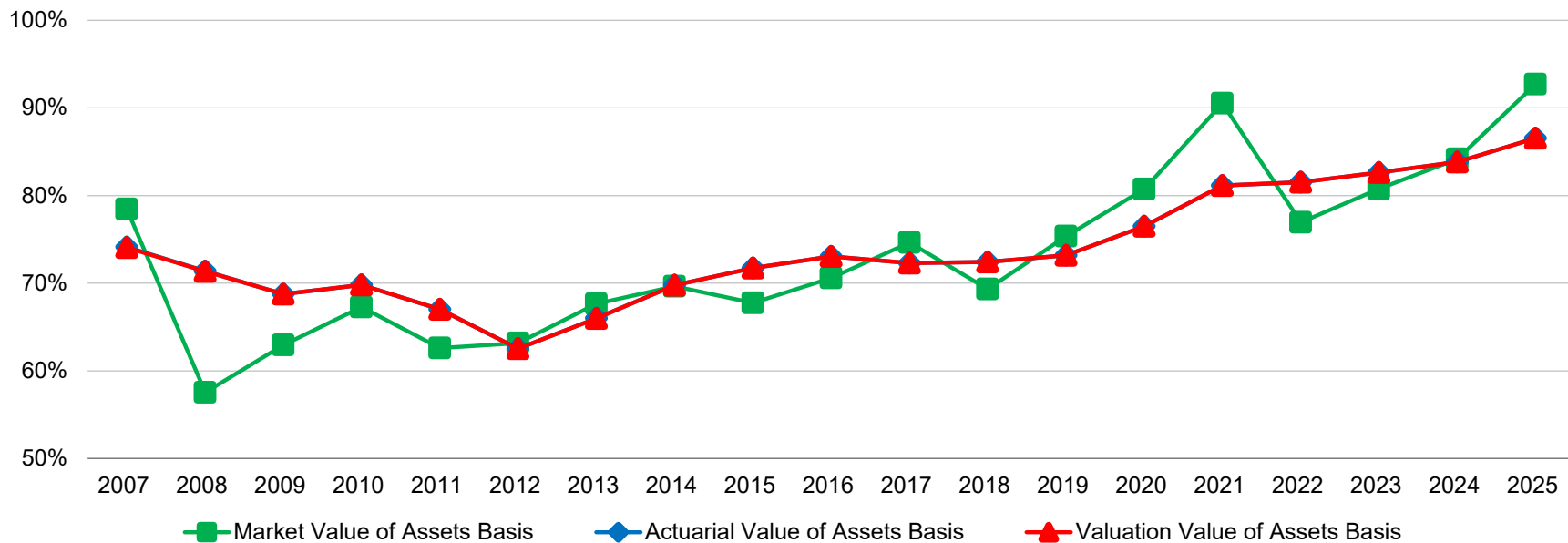
Section 2: Actuarial Valuation Results

G. Funded status

A commonly reported piece of information regarding the Plan's financial status is the funded ratio. These ratios compare the market, actuarial and valuation value of assets to the actuarial accrued liability of the Plan. Higher ratios indicate a relatively well-funded plan while lower ratios may indicate recent changes to actuarial assumptions, funding of the plan below actuarial requirements, poor asset performance, or a variety of other causes.

The funded status measures shown in this valuation are appropriate for assessing the need for or amount of future contributions. However, they are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations. As the chart below shows, the measures are different depending on whether the market, actuarial, or valuation value of assets is used.

Funded Ratio as of December 31



Section 2: Actuarial Valuation Results

Schedule of Funding Progress

Actuarial Valuation as of December 31	Valuation Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) – (a)	Funded Ratio (a) / (b)	Projected Compensation (c)	UAAL as a % of Projected Compensation [(b) – (a)] / (c)
2016	\$13,102,978,000	\$17,933,461,000	\$4,830,483,000	73.06%	\$1,759,831,000	274.49%
2017	14,197,125,000	19,635,427,000	5,438,302,000	72.30%	1,811,877,000	300.15%
2018	14,994,420,000	20,703,349,000	5,708,929,000	72.43%	1,875,370,000	304.42%
2019	16,036,869,000	21,916,730,000	5,879,861,000	73.17%	1,952,534,000	301.14%
2020	17,525,117,000	22,904,975,000	5,379,858,000	76.51%	1,962,869,000	274.08%
2021	19,488,761,000	24,016,073,000	4,527,312,000	81.15%	2,052,706,000	220.55%
2022	20,691,659,000	25,386,669,000	4,695,010,000	81.51%	2,124,678,000	220.98%
2023	22,135,285,000	26,788,041,000	4,652,756,000	82.63%	2,277,976,000	204.25%
2024	23,688,986,000	28,258,622,000	4,569,636,000	83.83%	2,478,139,000	184.40%
2025	25,652,999,000	29,639,365,000	3,986,366,000	86.55%	2,569,241,000	155.16%

For informational purposes only, we have also developed the funded ratio determined using the historical **market** value of assets after adjustment for amounts in the County Investment Account (funded by pension obligation bond proceeds held by OCERS), prepaid employer contributions, O.C. Sanitation District UAAL Deferred Account (after transfer), unclaimed member reserve and Medicare Medical Insurance Reserve.

Actuarial Valuation as of December 31	Funded Ratio Based on Net Market Value of Assets	Actuarial Valuation as of December 31	Funded Ratio Based on Net Market Value of Assets
2016	70.58%	2021	90.52%
2017	74.62%	2022	76.95%
2018	69.31%	2023	80.76%
2019	75.36%	2024	84.18%
2020	80.74%	2025	92.71%

Section 2: Actuarial Valuation Results

H. Actuarial balance sheet

An overview of the Plan’s funding is given by an actuarial balance sheet. In this approach, first the amount and timing of all future payments that will be made by the Plan for current members is determined. Then these payments are discounted at the valuation interest rate to the date of the valuation, thereby determining the present value, referred to as the “liability” of the Plan.

Second, this liability is compared to the assets. The “assets” for this purpose include the net amount of assets already accumulated by the Plan, the present value of future member contributions, the present value of future employer normal cost contributions, and the present value of future employer amortization payments for the UAAL.

Actuarial Balance Sheet as of December 31 (*\$ in '000s*)

Line Description	2025	2024
Liabilities		
Present value of benefits for retired members and beneficiaries	\$18,614,408	\$17,668,968
Present value of benefits for inactive members ⁹⁵	739,968	694,435
Present value of benefits for active members	15,693,433	15,191,848
Total liabilities	\$35,047,809	\$33,555,251
Current and Future Assets		
Total valuation value of assets	\$25,652,999	\$23,688,986
Present value of future contributions by members	2,583,993	2,519,538
Present value of future employer contributions for:		
• Entry age normal cost	2,824,451	2,777,091
• UAAL	3,986,366	4,569,636
Total of current and future assets	\$35,047,809	\$33,555,251

⁹⁵ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

Section 2: Actuarial Valuation Results

I. Risk

Because the actuarial valuation results are dependent on a fixed set of assumptions and data as of a specific date, there is risk that emerging results may differ, perhaps significantly, as actual experience is fluid and will not exactly track current assumptions. This potential divergence may have a significant impact on the future financial condition of the plan.

This report does not contain a detailed analysis of the potential range of future measurements, but does include a concise discussion of some of the primary risks that may affect the Plan's future financial condition. We recommend a more detailed assessment of the risks to provide the Board with a better understanding of the risks inherent in the Plan that can inform both financial preparation and future decision making. This assessment would enable us to work with the Board to highlight and illustrate particular risks or potential future outcomes they may be interested in discussing and could include scenario testing, sensitivity testing, stress testing and stochastic modeling. As noted in the valuation highlights section of this report the results of our more detailed risk assessment will be provided in a separate stand-alone report.

This section provides descriptions and basic assessments of the primary risks that are likely to have an ongoing influence on the Plan's financial health, as well as a discussion of historical trends and maturity measures:

Risk assessments

- **Asset/Liability Mismatch Risk** (the potential that future plan experience does not affect asset and liability values in the same way, causing them to diverge)

The most significant asset/liability mismatch risk to the Plan is investment risk, as discussed below. In fact, investment risk has the potential to impact asset/liability mismatch in two ways. The first is evident in annual valuations; when asset values deviate from assumptions they are typically independent from liability changes. The second can be caused when systemic asset deviations from assumptions may signal the need for an assumption change, which causes liability values and contribution rates to move in the opposite direction from any change in the expected experience of asset growth rates.

Asset/liability mismatch can also be caused by demographic assumption risk such as longevity, which affects liabilities but has no impact on asset levels. This risk is also discussed below.

- **Investment Risk** (the risk that investment returns will be different than expected)

The investment return assumption is a long-term, static assumption for valuation purposes even though in reality market experience can be quite volatile in any given year. That volatility can cause significant changes in the financial condition of the Plan, affecting both funded status and contribution rates. The inherent year-to-year volatility is reduced by smoothing through the valuation value of assets, however investment experience can still have a sizable impact. As discussed in *Section 2, Subsection J*,

Section 2: Actuarial Valuation Results

Volatility Ratios, on page 59, a 1% asset gain or loss (relative to the assumed investment return) translates to about 10.7% of one-year's payroll. Since actuarial gains and losses are amortized over 20 years, there would be a 0.8% of payroll decrease/(increase) in the required contribution for each 1% asset gain/(loss).

The year-by-year market value rate of return over the last 10 years has ranged from a low of -9.71% to a high of 17.71%.

- **Longevity Risk** (the risk that mortality experience will be different than expected)

The actuarial valuation includes current life expectancy assumptions and an expectation of future improvement in life expectancy, which are significant assumptions given the relatively long duration of liabilities for pension plans. Emerging plan experience that does not match these expectations will result in increases or decreases in the actuarially determined contribution over time. This risk can be reduced by using tables appropriate for the Plan (public experience tables) that are weighted by benefit levels, and by using generational mortality projections. The Board has adopted mortality tables based on this methodology.

- **Other Risks**

In addition to longevity, the valuation includes a variety of other assumptions that are unlikely to match future experience exactly. One example is projected salary scales over time. As salary is central to the determination of benefits paid in retirement, deviations from the projected salary scales could have a material impact on the benefits anticipated for each member. Examples of other demographic assumptions include retirement, termination and disability assumptions, and will likely vary in significance for different groups (for example, disability assumptions are typically more significant for Safety groups).

Some plans also carry significant contribution risk, defined as the potential for actual future contributions deviating from expected future contributions. However, the employers have a proven track-record of making the actuarially determined contributions based on the Board's Actuarial Funding Policy, so contribution risk is minimal.

Evaluation of historical trends

Past experience can help demonstrate the sensitivity of key results to the Plan's actual experience. Over the past ten years:

- The funded percentage on the valuation value of assets basis has increased from 73.1% to 86.6%. This is primarily due to contributions made to amortize the UAAL (i.e., amortizing each layer of UAAL over 20 years as a level percentage of pay) and average recent years' investment return on a smoothed basis greater than the assumption. For a more detailed history see *Section 2, Subsection G, Funded status* starting on page 52.
- The average geometric investment return on the valuation value of assets over the last 10 years was 7.71%. This includes a low of 5.20% and a high of 11.38%. The average over the last five years is 8.45%. For more details see the *Section 2, Subsection B, Historical investment returns* on page 25.

Section 2: Actuarial Valuation Results

- Beyond investment experience which has generally been favorable, the primary source of new UAAL was the strengthening of assumptions through multiple assumption changes. While the assumption changes in 2014 decreased the unfunded liability by \$103 million, the assumption changes in 2017 that changed the discount rate from 7.25% to 7.00% (as well as various other changes) added \$822 million in unfunded liability, the assumption changes in 2020 added \$24.3 million in unfunded liability, and the assumption changes in 2023 added \$145.0 million in unfunded liability. For more details on unfunded liability changes see *Section 3, Exhibit H, Table of Amortization Bases* starting on page 90. A graphical representation of historical changes in UAAL by source will be included in the stand-alone risk assessment report.
- The plan's funding policy effectively deals with these unfunded liabilities over time. This can be seen most clearly in *Section 3, Exhibit J, Projection of UAAL balances and payments* starting on page 105.

Maturity measures

In the last 10 years the ratio of members in pay status to active participants has increased from 0.75 to 0.98. An increased ratio indicates that the plan has grown in maturity over time. This is to be expected, but is also informative for understanding plan sensitivity to particular risks. For more details see *Section 2, Subsection A, Member information* on page 18.

As pension plans mature, the cash needed to fulfill benefit obligations will increase over time. Therefore, cash flow projections and analysis should be performed to assure that the Plan's asset allocation is aligned to meet emerging pension liabilities. Over the past year, benefits paid were \$133 million more than contributions received. Plans with high levels of negative cash flows may have a need for a larger allocation to income generating assets, which can create a drag on investment return. However, the Plan currently has a relatively low level of negative cash flow when compared to the total assets and is relatively well funded (at an 86.6% funded ratio). For more details on historical cash flows see *Section 2, Subsection B, Financial information* on page 22.

A further discussion of plan maturity measures and how they relate to changes in assets and liabilities is included in *Section 2, Subsection J, Volatility ratios* on page 59.

Low-Default-Risk Obligation Measure (LDRM)

Actuarial Standard of Practice No. 4 (ASOP 4) *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions* requires the disclosure of a Low-Default-Risk Obligation Measure (LDRM) when performing a funding valuation. The LDRM presented in this report is calculated using the same methodology and assumptions used to determine the AAL used for funding, except for the discount rate. The LDRM is required to be calculated using "a discount rate...derived from low-default-risk fixed income securities whose cash flows are reasonably consistent with the pattern of benefits expected to be paid in the future."

Section 2: Actuarial Valuation Results

The LDRM is a calculation assuming a plan's assets are invested in an all-bond portfolio, generally lowering expected long-term investment returns. The discount rate selected and used for this purpose is the Bond Buyer General Obligation 20-year Municipal Bond Index Rate, published at the end of each week. The last published rate in December of the measurement period, by The Bond Buyer, is 4.83% for use effective December 31, 2025. This is the rate used to determine the discount rate for valuing reported public pension plan liabilities in accordance with Governmental Accounting Standards when plan assets are projected to be insufficient to make projected benefit payments, and the 20-year period reasonably approximates the duration of plan liabilities. The LDRM is not used to determine a plan's funded status or actuarially determined contribution rates. The plan's expected return on assets, currently 7.00%, is used for these calculations.

As of December 31, 2025, the LDRM for the Plan is \$39.6 billion.⁹⁶ The difference between the Plan's actuarial accrued liability of \$29.6 billion and the LDRM can be thought of as the increase in the actuarial accrued liability if the entire portfolio were invested in low-default-risk securities. Alternatively, this difference could also be viewed as representing the expected savings from investing in the Plan's diversified portfolio compared to investing only in low-default-risk securities.

ASOP 4 requires commentary to help the intended user understand the significance of the LDRM with respect to the funded status of the plan, plan contributions, and the security of member benefits. In general, if plan assets were invested exclusively in low-default-risk securities, the funded status would be lower and the actuarially determined contribution would be higher. While investing in a portfolio with low-default-risk securities may be more likely to reduce investment volatility and the volatility of employer contributions, it also may be more likely to result in higher employer contributions or lower benefits.

⁹⁶ For comparison purposes, as of December 31, 2024, the LDRM was \$42.3 billion based on a discount rate of 4.08%, while the Plan's actuarial accrued liability was \$28.3 billion.

Section 2: Actuarial Valuation Results

J. Volatility ratios

Retirement plans are subject to volatility in the level of required contributions. This volatility tends to increase as retirement plans become more mature.

The Asset Volatility Ratio (AVR), which is equal to the market value of assets divided by total projected compensation, provides an indication of the potential contribution volatility for any given level of investment volatility. A higher AVR indicates that the plan is subject to a greater level of contribution volatility. This is a current measurement since it is based on the current level of assets.

The current AVR is about 10.7. This means that a 1% asset gain or loss (relative to the assumed investment return) translates to about 10.7% of one-year's payroll. Since actuarial gains and losses are amortized over 20 years, there would be a 0.8% of payroll decrease/(increase) in the required contribution for each 1% asset gain/(loss).

The Liability Volatility Ratio (LVR), which is equal to the actuarial accrued liability divided by total projected compensation, provides an indication of the longer-term potential for contribution volatility for any given level of investment volatility. This is because, over an extended period of time, the plan's assets should track the plan's liabilities. For example, if a plan is 50% funded on a market value basis, the liability volatility ratio would be double the asset volatility ratio and the plan sponsor should expect contribution volatility to increase over time as the plan becomes better funded.

The LVR also indicates how volatile contributions will be in response to changes in the actuarial accrued liability due to actual experience or to changes in actuarial assumptions. The current total Plan LVR is about 11.5 but is 10.3 for General compared to 15.2 for Safety. This means, for example, that assumption changes will have a greater impact on employer contribution rates for Safety than for General. The total Plan LVR is about 7% higher than the AVR. Therefore, we would expect that contribution volatility will increase over the long term.

Section 2: Actuarial Valuation Results

Volatility Ratios

Asset Volatility Ratio (AVR) versus Liability Volatility Ratio (LVR)

As of December 31	AVR General	AVR Safety	AVR Total	LVR General	LVR Safety	LVR Total
2016	6.4	9.9	7.2	9.0	14.2	10.2
2017	7.2	11.0	8.1	9.6	14.8	10.8
2018	6.8	10.5	7.7	9.8	15.2	11.0
2019	7.5	11.5	8.5	9.9	15.3	11.2
2020	8.4	12.7	9.4	10.5	15.2	11.7
2021	9.3	14.5	10.6	10.5	15.4	11.7
2022	8.0	12.9	9.2	10.6	16.1	11.9
2023	8.2	13.6	9.5	10.4	16.1	11.8
2024	8.3	13.6	9.6	10.1	15.5	11.4
2025	9.4	14.7	10.7	10.3	15.2	11.5

Section 3: Supplemental Information

Exhibit A: Table of plan demographics

Total Plan

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	22,797	23,368	(2.4%)
• Average age	44.3	44.1	0.2
• Average years of service	11.6	11.3	0.3
• Total projected compensation ⁹⁷	\$2,569,239,233	\$2,478,139,312	3.7%
• Average projected compensation	\$112,701	\$106,048	6.3%
• Account balances	\$3,785,870,292	\$3,648,906,617	3.8%
• Total active vested members	15,384	15,627	(1.6%)
Inactive members⁹⁸			
• Number	10,132	9,377	8.1%
• Average age	45.0	45.0	0.0
Retired members			
• Number	17,513	17,103	2.4%
• Average age	70.9	70.7	0.2
• Average monthly benefit ⁹⁹	\$5,415	\$5,235	3.4%
Disabled members			
• Number	1,658	1,645	0.8%
• Average age	67.1	66.8	0.3
• Average monthly benefit ⁹⁹	\$5,463	\$5,220	4.7%
Beneficiaries			
• Number	3,073	2,992	2.7%
• Average age	74.2	74.0	0.2
• Average monthly benefit ⁹⁹	\$2,894	\$2,753	5.1%

⁹⁷ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

⁹⁸ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

⁹⁹ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #1 for Plans A, B and U (County and IHSS)¹⁰⁰

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	1,684	1,837	(8.3%)
• Average age	44.2	43.4	0.8
• Average years of service	8.7	7.7	1.0
• Total projected compensation ¹⁰¹	\$116,947,844	\$119,624,448	(2.2%)
• Average projected compensation	\$69,446	\$65,119	6.6%
• Account balances	\$88,530,436	\$80,370,165	10.2%
• Total active vested members	806	826	(2.4%)
Inactive members¹⁰²			
• Number	1,024	974	5.1%
• Average age	43.9	43.6	0.3
Retired members			
• Number	732	721	1.5%
• Average age	74.8	74.9	(0.1)
• Average monthly benefit ¹⁰³	\$3,054	\$3,043	0.4%
Disabled members			
• Number	32	34	(5.9%)
• Average age	69.7	68.6	1.1
• Average monthly benefit ¹⁰³	\$3,157	\$2,985	5.8%
Beneficiaries			
• Number	108	104	3.8%
• Average age	78.8	78.3	0.5
• Average monthly benefit ¹⁰³	\$1,772	\$1,764	0.5%

¹⁰⁰ Includes payees from Vector Control, Cypress Recreation and Parks, U.C.I. and DOE.

¹⁰¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹⁰² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹⁰³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #2 for Plans I, J, O, P, S, T, U and W

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	14,482	15,022	(3.6%)
• Average age	44.8	44.5	0.3
• Average years of service	11.8	11.5	0.3
• Total projected compensation ¹⁰⁴	\$1,515,180,627	\$1,480,759,173	2.3%
• Average projected compensation	\$104,625	\$98,573	6.1%
• Account balances	\$2,382,179,314	\$2,339,587,406	1.8%
• Total active vested members	9,836	10,084	(2.5%)
Inactive members¹⁰⁵			
• Number	7,077	6,446	9.8%
• Average age	44.8	44.8	0.0
Retired members			
• Number	11,710	11,454	2.2%
• Average age	71.8	71.6	0.2
• Average monthly benefit ¹⁰⁶	\$4,901	\$4,723	3.8%
Disabled members			
• Number	526	541	(2.8%)
• Average age	69.0	68.5	0.5
• Average monthly benefit ¹⁰⁶	\$3,257	\$3,159	3.1%
Beneficiaries			
• Number	1,822	1,795	1.5%
• Average age	76.2	75.9	0.3
• Average monthly benefit ¹⁰⁶	\$2,568	\$2,450	4.8%

¹⁰⁴ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹⁰⁵ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹⁰⁶ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #3 for Plans B, G, H and U (OCSD)

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	635	625	1.6%
• Average age	45.9	46.0	(0.1)
• Average years of service	11.1	10.9	0.2
• Total projected compensation ¹⁰⁷	\$94,902,502	\$89,596,589	5.9%
• Average projected compensation	\$149,453	\$143,355	4.3%
• Account balances	\$102,823,360	\$97,996,347	4.9%
• Total active vested members	476	453	5.1%
Inactive members¹⁰⁸			
• Number	177	171	3.5%
• Average age	48.3	48.1	0.2
Retired members			
• Number	542	532	1.9%
• Average age	70.0	69.7	0.3
• Average monthly benefit ¹⁰⁹	\$7,135	\$6,990	2.1%
Disabled members			
• Number	19	18	5.6%
• Average age	69.3	69.4	(0.1)
• Average monthly benefit ¹⁰⁹	\$4,498	\$4,221	6.6%
Beneficiaries			
• Number	103	100	3.0%
• Average age	71.1	70.0	1.1
• Average monthly benefit ¹⁰⁹	\$3,301	\$3,050	8.2%

¹⁰⁷ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹⁰⁸ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹⁰⁹ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #5 for Plans A, B and U (OCTA)

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	1,401	1,373	2.0%
• Average age	48.1	48.8	(0.7)
• Average years of service	10.9	11.4	(0.5)
• Total projected compensation ¹¹⁰	\$141,464,791	\$137,635,819	2.8%
• Average projected compensation	\$100,974	\$100,245	0.7%
• Account balances	\$151,943,518	\$150,111,327	1.2%
• Total active vested members	845	857	(1.4%)
Inactive members¹¹¹			
• Number	836	802	4.2%
• Average age	50.1	50.2	(0.1)
Retired members			
• Number	1,194	1,156	3.3%
• Average age	72.5	72.3	0.2
• Average monthly benefit ¹¹²	\$3,427	\$3,273	4.7%
Disabled members			
• Number	253	255	(0.8%)
• Average age	70.0	69.6	0.4
• Average monthly benefit ¹¹²	\$2,943	\$2,870	2.5%
Beneficiaries			
• Number	256	245	4.5%
• Average age	73.9	73.9	0.0
• Average monthly benefit ¹¹²	\$1,873	\$1,813	3.3%

¹¹⁰ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹¹¹ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹¹² Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #9 for Plans M, N and U (TCA)

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	62	62	0.0%
• Average age	49.6	48.9	0.7
• Average years of service	8.7	8.0	0.7
• Total projected compensation ¹¹³	\$8,929,729	\$8,519,881	4.8%
• Average projected compensation	\$144,028	\$137,417	4.8%
• Account balances	\$6,378,439	\$6,342,339	0.6%
• Total active vested members	34	35	(2.9%)
Inactive members¹¹⁴			
• Number	78	82	(4.9%)
• Average age	48.3	47.9	0.4
Retired members			
• Number	73	67	9.0%
• Average age	71.3	71.0	0.3
• Average monthly benefit ¹¹⁵	\$3,926	\$3,739	5.0%
Disabled members			
• Number	1	1	0.0%
• Average age	57.8	56.8	1.0
• Average monthly benefit ¹¹⁵	\$1,787	\$1,735	3.0%
Beneficiaries			
• Number	6	6	0.0%
• Average age	74.0	73.0	1.0
• Average monthly benefit ¹¹⁵	\$728	\$706	3.1%

¹¹³ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹¹⁴ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹¹⁵ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #10 for Plans I, J, M, N and U (OCFA)

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	334	333	0.3%
• Average age	44.0	43.1	0.9
• Average years of service	9.5	9.3	0.2
• Total projected compensation ¹¹⁶	\$40,068,474	\$38,213,051	4.9%
• Average projected compensation	\$119,965	\$114,754	4.5%
• Account balances	\$35,125,522	\$33,439,614	5.0%
• Total active vested members	225	210	7.1%
Inactive members¹¹⁷			
• Number	334	323	3.4%
• Average age	42.8	42.7	0.1
Retired members			
• Number	247	237	4.2%
• Average age	68.2	67.7	0.5
• Average monthly benefit ¹¹⁸	\$5,449	\$5,208	4.6%
Disabled members			
• Number	15	13	15.4%
• Average age	66.3	66.5	(0.2)
• Average monthly benefit ¹¹⁸	\$4,177	\$3,919	6.6%
Beneficiaries			
• Number	19	18	5.6%
• Average age	69.2	67.3	1.9
• Average monthly benefit ¹¹⁸	\$2,226	\$2,215	0.5%

¹¹⁶ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹¹⁷ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹¹⁸ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #11 for Plans M and N, Future Service, and U (Cemetery)

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	28	25	12.0%
• Average age	48.8	50.2	(1.4)
• Average years of service	14.9	15.7	(0.8)
• Total projected compensation ¹¹⁹	\$2,435,578	\$2,124,825	14.6%
• Average projected compensation	\$86,985	\$84,993	2.3%
• Account balances	\$3,424,905	\$3,047,044	12.4%
• Total active vested members	20	19	5.3%
Inactive members¹²⁰			
• Number	4	4	0.0%
• Average age	38.6	37.6	1.0
Retired members			
• Number	9	9	0.0%
• Average age	74.3	73.3	1.0
• Average monthly benefit ¹²¹	\$4,040	\$3,923	3.0%
Disabled members			
• Number	0	0	N/A
• Average age	N/A	N/A	N/A
• Average monthly benefit ¹²¹	N/A	N/A	N/A
Beneficiaries			
• Number	7	7	0.0%
• Average age	79.1	78.1	1.0
• Average monthly benefit ¹²¹	\$1,579	\$1,533	3.0%

¹¹⁹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹²⁰ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹²¹ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #12 for Plans G, H, Future Service, and U (Law Library)

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	13	14	(7.1%)
• Average age	57.9	58.1	(0.2)
• Average years of service	20.6	20.2	0.4
• Total projected compensation ¹²²	\$1,246,885	\$1,252,569	(0.5%)
• Average projected compensation	\$95,914	\$89,469	7.2%
• Account balances	\$3,779,264	\$3,830,942	(1.3%)
• Total active vested members	11	12	(8.3%)
Inactive members¹²³			
• Number	2	2	0.0%
• Average age	44.7	43.7	1.0
Retired members			
• Number	14	13	7.7%
• Average age	73.9	72.9	1.0
• Average monthly benefit ¹²⁴	\$3,175	\$2,992	6.1%
Disabled members			
• Number	0	0	N/A
• Average age	N/A	N/A	N/A
• Average monthly benefit ¹²⁴	N/A	N/A	N/A
Beneficiaries			
• Number	0	0	N/A
• Average age	N/A	N/A	N/A
• Average monthly benefit ¹²⁴	N/A	N/A	N/A

¹²² Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹²³ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹²⁴ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #6 for Plans E, F and V (Probation)

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	604	594	1.7%
• Average age	45.1	45.0	0.1
• Average years of service	17.7	18.0	(0.3)
• Total projected compensation ¹²⁵	\$65,996,842	\$62,088,279	6.3%
• Average projected compensation	\$109,266	\$104,526	4.5%
• Account balances	\$165,212,443	\$160,544,210	2.9%
• Total active vested members	499	518	(3.7%)
Inactive members¹²⁶			
• Number	222	220	0.9%
• Average age	45.7	45.5	0.2
Retired members			
• Number	585	556	5.2%
• Average age	65.2	65.2	0.0
• Average monthly benefit ¹²⁷	\$6,374	\$6,249	2.0%
Disabled members			
• Number	41	40	2.5%
• Average age	56.1	55.3	0.8
• Average monthly benefit ¹²⁷	\$3,563	\$3,391	5.1%
Beneficiaries			
• Number	66	61	8.2%
• Average age	68.6	67.8	0.8
• Average monthly benefit ¹²⁷	\$3,052	\$2,971	2.7%

¹²⁵ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹²⁶ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹²⁷ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #7 for Plans E, F, Q, R and V (Law Enforcement)

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	2,281	2,253	1.2%
• Average age	40.1	40.0	0.1
• Average years of service	11.4	11.4	0.0
• Total projected compensation ¹²⁸	\$380,220,686	\$357,993,709	6.2%
• Average projected compensation	\$166,690	\$158,896	4.9%
• Account balances	\$546,914,588	\$500,959,228	9.2%
• Total active vested members	1,660	1,663	(0.2%)
Inactive members¹²⁹			
• Number	218	212	2.8%
• Average age	42.2	42.3	(0.1)
Retired members			
• Number	1,855	1,809	2.5%
• Average age	65.9	65.5	0.4
• Average monthly benefit ¹³⁰	\$8,819	\$8,530	3.4%
Disabled members			
• Number	441	434	1.6%
• Average age	64.5	64.3	0.2
• Average monthly benefit ¹³⁰	\$7,297	\$7,019	4.0%
Beneficiaries			
• Number	502	486	3.3%
• Average age	70.4	70.3	0.1
• Average monthly benefit ¹³⁰	\$4,338	\$4,085	6.2%

¹²⁸ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹²⁹ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹³⁰ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Rate Group #8 for Plans E, F, Q, R and V (OCFA)

Demographic Data by Status	As of December 31, 2025	As of December 31, 2024	Change
Active members			
• Number	1,273	1,230	3.5%
• Average age	40.7	41.0	(0.3)
• Average years of service	12.7	12.8	(0.1)
• Total projected compensation ¹³¹	\$201,845,276	\$180,330,969	11.9%
• Average projected compensation	\$158,559	\$146,611	8.1%
• Account balances	\$299,558,503	\$272,677,994	9.9%
• Total active vested members	972	950	2.3%
Inactive members¹³²			
• Number	160	141	13.5%
• Average age	39.0	38.8	0.2
Retired members			
• Number	552	549	0.5%
• Average age	68.4	67.7	0.7
• Average monthly benefit ¹³³	\$9,868	\$9,620	2.6%
Disabled members			
• Number	330	309	6.8%
• Average age	66.3	66.0	0.3
• Average monthly benefit ¹³³	\$9,042	\$8,849	2.2%
Beneficiaries			
• Number	183	169	8.3%
• Average age	66.9	66.2	0.7
• Average monthly benefit ¹³³	\$4,181	\$4,043	3.4%

¹³¹ Calculated by increasing full-time equivalent calendar year pensionable salary by the assumed salary scale.

¹³² Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

¹³³ Excludes monthly benefits payable from the STAR COLA.

Section 3: Supplemental Information

Exhibit B: Distribution of actives members

Total
Active Counts and Average Projected Compensation by Age and Years of Service
as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	400	400	—	—	—	—	—	—	—	—
	\$76,229	\$76,229	—	—	—	—	—	—	—	—
25-29	1,922	1,728	194	—	—	—	—	—	—	—
	\$90,633	\$87,465	\$118,858	—	—	—	—	—	—	—
30-34	3,073	1,883	1,023	163	4	—	—	—	—	—
	\$103,729	\$95,160	\$115,657	\$126,760	\$148,664	—	—	—	—	—
35-39	3,353	1,321	1,167	704	156	5	—	—	—	—
	\$113,443	\$98,710	\$119,459	\$128,046	\$128,033	\$90,486	—	—	—	—
40-44	3,397	894	834	693	729	242	5	—	—	—
	\$118,542	\$98,941	\$119,945	\$130,585	\$128,653	\$121,201	\$117,305	—	—	—
45-49	3,311	634	497	467	705	772	234	2	—	—
	\$121,427	\$97,876	\$121,015	\$124,501	\$131,559	\$127,818	\$128,235	\$137,512	—	—
50-54	3,178	521	393	306	516	651	642	142	7	—
	\$122,143	\$107,580	\$120,854	\$123,620	\$122,053	\$124,457	\$131,511	\$122,853	\$131,676	—
55-59	2,148	342	326	209	307	385	367	156	56	—
	\$117,038	\$105,472	\$118,865	\$120,976	\$116,654	\$117,002	\$122,154	\$119,617	\$123,991	—
60-64	1,347	194	190	162	209	239	215	78	49	11
	\$111,241	\$104,542	\$120,391	\$115,341	\$115,970	\$106,893	\$108,557	\$107,608	\$108,690	\$105,150
65-69	501	47	81	94	67	88	59	32	22	11
	\$109,157	\$93,023	\$108,356	\$118,930	\$106,570	\$110,381	\$96,838	\$117,385	\$120,591	\$125,706
70 and over	167	15	15	27	25	31	24	16	7	7
	\$99,311	\$95,512	\$118,420	\$98,312	\$98,501	\$96,521	\$97,271	\$95,894	\$95,635	\$104,082
Total	22,797	7,979	4,720	2,825	2,718	2,413	1,546	426	141	29
	\$112,701	\$95,241	\$118,779	\$125,690	\$124,995	\$121,334	\$123,701	\$117,522	\$117,117	\$112,689

Section 3: Supplemental Information

Rate Group #1 for Plans A, B and U (County and IHSS)
Active Counts and Average Projected Compensation by Age and Years of Service
as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	29	29	—	—	—	—	—	—	—	—
	\$79,329	\$79,329	—	—	—	—	—	—	—	—
25-29	122	115	7	—	—	—	—	—	—	—
	\$69,879	\$69,758	\$71,856	—	—	—	—	—	—	—
30-34	240	185	48	7	—	—	—	—	—	—
	\$67,930	\$65,981	\$74,094	\$77,171	—	—	—	—	—	—
35-39	285	186	59	33	6	1	—	—	—	—
	\$67,869	\$65,664	\$71,904	\$72,181	\$72,403	\$70,444	—	—	—	—
40-44	246	121	60	39	17	8	1	—	—	—
	\$69,064	\$64,633	\$73,733	\$72,131	\$74,222	\$74,843	\$71,493	—	—	—
45-49	239	101	30	43	20	30	15	—	—	—
	\$69,585	\$65,290	\$72,171	\$72,574	\$73,589	\$73,044	\$72,516	—	—	—
50-54	202	71	23	21	22	29	30	6	—	—
	\$70,127	\$64,471	\$72,611	\$72,261	\$74,817	\$73,297	\$73,475	\$70,803	—	—
55-59	165	52	23	15	22	21	14	13	5	—
	\$70,251	\$64,124	\$71,408	\$71,565	\$73,631	\$72,701	\$73,753	\$75,520	\$76,046	—
60-64	103	23	10	27	9	11	11	7	4	1
	\$70,932	\$65,443	\$72,616	\$71,510	\$73,921	\$72,134	\$72,136	\$76,527	\$71,117	\$71,489
65-69	40	7	4	14	3	6	2	4	—	—
	\$70,735	\$65,322	\$72,667	\$70,680	\$75,431	\$73,151	\$73,563	\$69,908	—	—
70 and over	13	—	2	4	1	2	3	1	—	—
	\$74,100	—	\$71,568	\$73,081	\$92,821	\$75,120	\$71,113	\$71,446	—	—
Total	1,684	890	266	203	100	108	76	31	9	1
	\$69,446	\$66,328	\$72,795	\$72,214	\$74,182	\$73,106	\$73,026	\$73,979	\$73,855	\$71,489

Section 3: Supplemental Information

Rate Group #2 for Plans I, J, O, P, S, T, U and W Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	233	233	—	—	—	—	—	—	—	—
	\$66,562	\$66,562	—	—	—	—	—	—	—	—
25-29	1,158	1,076	82	—	—	—	—	—	—	—
	\$79,551	\$78,747	\$90,093	—	—	—	—	—	—	—
30-34	1,873	1,209	582	81	1	—	—	—	—	—
	\$93,464	\$91,040	\$97,693	\$99,313	\$87,674	—	—	—	—	—
35-39	2,032	815	734	396	84	3	—	—	—	—
	\$104,362	\$98,940	\$109,093	\$109,456	\$92,079	\$91,083	—	—	—	—
40-44	2,144	567	525	417	466	165	4	—	—	—
	\$108,903	\$100,715	\$110,767	\$117,130	\$110,279	\$105,954	\$128,758	—	—	—
45-49	2,107	390	340	285	468	469	153	2	—	—
	\$112,478	\$97,447	\$117,696	\$114,492	\$118,573	\$114,692	\$109,686	\$137,512	—	—
50-54	2,150	287	267	202	377	456	443	111	7	—
	\$114,529	\$102,821	\$115,680	\$116,551	\$113,100	\$117,500	\$118,744	\$113,103	\$131,676	—
55-59	1,431	183	192	137	227	278	273	107	34	—
	\$111,307	\$101,094	\$110,164	\$113,283	\$113,290	\$114,354	\$114,704	\$102,500	\$127,064	—
60-64	896	123	119	98	160	154	160	50	25	7
	\$108,184	\$107,578	\$115,000	\$108,303	\$109,347	\$107,948	\$105,531	\$103,258	\$106,067	\$83,229
65-69	338	25	59	55	49	66	46	19	15	4
	\$105,958	\$93,899	\$104,016	\$116,772	\$99,823	\$114,029	\$94,489	\$107,783	\$115,674	\$90,044
70 and over	120	12	10	13	21	22	19	12	6	5
	\$97,404	\$88,846	\$116,661	\$86,403	\$96,175	\$99,199	\$99,569	\$101,386	\$95,210	\$90,146
Total	14,482	4,920	2,910	1,684	1,853	1,613	1,098	301	87	16
	\$104,625	\$91,608	\$108,424	\$112,877	\$111,963	\$113,607	\$113,240	\$107,057	\$117,241	\$87,094

Section 3: Supplemental Information

Rate Group #3 for Plans B, G, H and U (OCSD)
Active Counts and Average Projected Compensation by Age and Years of Service
as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	—	—	—	—	—	—	—	—	—	—
25-29	31	29	2	—	—	—	—	—	—	—
	\$119,019	\$118,467	\$127,029	—	—	—	—	—	—	—
30-34	64	41	22	1	—	—	—	—	—	—
	\$127,813	\$121,859	\$141,194	\$77,555	—	—	—	—	—	—
35-39	101	37	46	17	1	—	—	—	—	—
	\$140,261	\$125,529	\$148,699	\$149,403	\$141,788	—	—	—	—	—
40-44	128	43	46	20	14	5	—	—	—	—
	\$152,216	\$136,380	\$151,455	\$167,053	\$179,213	\$160,464	—	—	—	—
45-49	103	23	24	20	18	18	—	—	—	—
	\$160,763	\$149,777	\$155,873	\$156,695	\$175,611	\$170,994	—	—	—	—
50-54	77	10	20	14	18	12	2	1	—	—
	\$153,126	\$125,044	\$155,175	\$161,912	\$154,586	\$153,447	\$199,359	\$147,360	—	—
55-59	57	10	13	7	6	8	7	3	3	—
	\$168,742	\$132,621	\$167,509	\$175,223	\$179,949	\$177,659	\$158,770	\$277,709	\$147,476	—
60-64	53	6	11	7	13	9	3	2	2	—
	\$155,176	\$146,698	\$150,887	\$141,170	\$154,496	\$177,918	\$142,882	\$167,729	\$161,182	—
65-69	16	1	4	3	4	—	1	3	—	—
	\$155,637	\$132,955	\$149,555	\$158,484	\$131,859	—	\$167,801	\$196,109	—	—
70 and over	5	1	2	—	1	1	—	—	—	—
	\$140,158	\$127,163	\$137,438	—	\$141,391	\$157,359	—	—	—	—
Total	635	201	190	89	75	53	13	9	5	—
	\$149,453	\$129,863	\$151,170	\$157,858	\$164,684	\$167,952	\$162,043	\$211,586	\$152,958	—

Section 3: Supplemental Information

Rate Group #5 for Plans A, B and U (OCTA)
Active Counts and Average Projected Compensation by Age and Years of Service
as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	21	21	—	—	—	—	—	—	—	—
	\$69,323	\$69,323	—	—	—	—	—	—	—	—
25-29	86	77	9	—	—	—	—	—	—	—
	\$82,767	\$80,107	\$105,518	—	—	—	—	—	—	—
30-34	130	89	37	4	—	—	—	—	—	—
	\$88,832	\$82,779	\$102,050	\$101,240	—	—	—	—	—	—
35-39	164	103	38	22	1	—	—	—	—	—
	\$98,207	\$94,223	\$100,929	\$110,146	\$142,437	—	—	—	—	—
40-44	147	75	38	12	17	5	—	—	—	—
	\$98,977	\$83,139	\$112,199	\$116,997	\$123,044	\$110,971	—	—	—	—
45-49	186	65	35	25	23	34	4	—	—	—
	\$103,920	\$90,120	\$101,409	\$123,661	\$103,654	\$114,851	\$135,359	—	—	—
50-54	199	69	31	21	28	32	14	4	—	—
	\$108,058	\$94,394	\$103,462	\$115,495	\$122,758	\$111,852	\$126,773	\$141,554	—	—
55-59	206	44	40	22	26	41	18	7	8	—
	\$107,683	\$91,490	\$100,740	\$111,533	\$126,752	\$105,236	\$115,190	\$153,461	\$114,497	—
60-64	179	24	25	9	20	49	23	12	15	2
	\$106,370	\$85,871	\$95,125	\$150,144	\$137,183	\$95,258	\$105,886	\$112,341	\$117,138	\$149,015
65-69	66	12	6	8	6	15	5	4	6	4
	\$104,248	\$95,360	\$106,239	\$102,499	\$110,871	\$105,018	\$90,442	\$90,387	\$121,385	\$124,014
70 and over	17	1	1	5	2	3	2	2	—	1
	\$103,040	\$66,459	\$191,679	\$107,649	\$104,318	\$88,773	\$114,683	\$74,020	—	\$102,932
Total	1,401	580	260	128	123	179	66	29	29	7
	\$100,974	\$87,241	\$103,146	\$116,502	\$121,695	\$105,380	\$113,737	\$120,625	\$117,288	\$128,146

Section 3: Supplemental Information

Rate Group #9 for Plans M, N and U (TCA)
Active Counts and Average Projected Compensation by Age and Years of Service
as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
25-29	2	2	—	—	—	—	—	—	—	—
	\$83,962	\$83,962	—	—	—	—	—	—	—	—
30-34	7	6	1	—	—	—	—	—	—	—
	\$92,376	\$94,092	\$82,085	—	—	—	—	—	—	—
35-39	4	3	1	—	—	—	—	—	—	—
	\$124,338	\$132,457	\$99,981	—	—	—	—	—	—	—
40-44	8	2	3	3	—	—	—	—	—	—
	\$145,511	\$143,883	\$153,712	\$138,395	—	—	—	—	—	—
45-49	4	3	—	—	—	1	—	—	—	—
	\$143,667	\$162,538	—	—	—	\$87,054	—	—	—	—
50-54	14	6	4	1	2	1	—	—	—	—
	\$160,665	\$183,994	\$138,053	\$132,696	\$187,694	\$85,050	—	—	—	—
55-59	14	5	3	4	—	1	—	1	—	—
	\$171,831	\$148,489	\$230,838	\$180,860	—	\$121,461	—	\$125,778	—	—
60-64	7	3	1	1	1	1	—	—	—	—
	\$132,685	\$118,205	\$191,679	\$175,516	\$100,945	\$106,040	—	—	—	—
65-69	1	1	—	—	—	—	—	—	—	—
	\$122,419	\$122,419	—	—	—	—	—	—	—	—
70 and over	1	1	—	—	—	—	—	—	—	—
	\$172,910	\$172,910	—	—	—	—	—	—	—	—
Total	62	32	13	9	3	4	—	1	—	—
	\$144,028	\$137,549	\$159,970	\$160,760	\$158,778	\$99,901	—	\$125,778	—	—

Section 3: Supplemental Information

Rate Group #10 for Plans I, J, M, N and U (OCFA) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	6	6	—	—	—	—	—	—	—	—
	\$92,567	\$92,567	—	—	—	—	—	—	—	—
25-29	23	21	2	—	—	—	—	—	—	—
	\$83,307	\$80,564	\$112,114	—	—	—	—	—	—	—
30-34	53	30	21	2	—	—	—	—	—	—
	\$104,879	\$93,884	\$118,917	\$122,414	—	—	—	—	—	—
35-39	47	26	15	6	—	—	—	—	—	—
	\$117,094	\$112,514	\$117,722	\$135,368	—	—	—	—	—	—
40-44	55	16	23	11	3	2	—	—	—	—
	\$116,301	\$103,009	\$123,255	\$124,356	\$136,965	\$67,370	—	—	—	—
45-49	47	11	19	8	6	3	—	—	—	—
	\$132,246	\$136,110	\$131,819	\$123,124	\$143,828	\$121,943	—	—	—	—
50-54	48	11	13	7	4	6	5	2	—	—
	\$137,920	\$143,994	\$141,009	\$132,436	\$134,780	\$141,799	\$128,596	\$121,593	—	—
55-59	27	7	9	5	2	1	1	1	1	—
	\$136,384	\$138,658	\$111,780	\$164,681	\$129,796	\$198,062	\$147,874	\$199,208	\$77,602	—
60-64	16	5	3	1	1	4	2	—	—	—
	\$114,366	\$116,993	\$144,551	\$128,094	\$166,908	\$63,209	\$131,698	—	—	—
65-69	8	—	2	2	1	1	1	1	—	—
	\$172,926	—	\$120,133	\$202,240	\$106,044	\$173,507	\$97,456	\$361,658	—	—
70 and over	4	—	—	2	—	2	—	—	—	—
	\$101,767	—	—	\$115,003	—	\$88,530	—	—	—	—
Total	334	133	107	44	17	19	9	4	1	—
	\$119,965	\$107,323	\$124,671	\$134,613	\$137,972	\$113,307	\$127,967	\$201,013	\$77,602	—

Section 3: Supplemental Information

Rate Group #11 for Plans M AND N, Future Service, and U (Cemetery)
Active Counts and Average Projected Compensation by Age and Years of Service
as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	1	1	—	—	—	—	—	—	—	—
	\$60,425	\$60,425	—	—	—	—	—	—	—	—
25-29	2	1	1	—	—	—	—	—	—	—
	\$63,908	\$57,513	\$70,301	—	—	—	—	—	—	—
30-34	2	2	—	—	—	—	—	—	—	—
	\$70,164	\$70,164	—	—	—	—	—	—	—	—
35-39	2	1	1	—	—	—	—	—	—	—
	\$66,151	\$61,938	\$70,364	—	—	—	—	—	—	—
40-44	2	—	1	—	—	1	—	—	—	—
	\$80,922	—	\$69,250	—	—	\$92,593	—	—	—	—
45-49	4	1	—	—	2	—	1	—	—	—
	\$84,286	\$78,111	—	—	\$82,441	—	\$94,153	—	—	—
50-54	4	2	1	—	—	—	1	—	—	—
	\$101,450	\$75,852	\$127,795	—	—	—	\$126,301	—	—	—
55-59	7	—	1	2	1	1	1	—	1	—
	\$104,183	—	\$83,003	\$95,076	\$223,094	\$94,066	\$69,502	—	\$69,463	—
60-64	3	—	—	—	—	—	1	1	1	—
	\$88,441	—	—	—	—	—	\$69,463	\$126,301	\$69,558	—
65-69	1	—	1	—	—	—	—	—	—	—
	\$75,318	—	\$75,318	—	—	—	—	—	—	—
70 and over	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
Total	28	8	6	2	3	2	4	1	2	—
	\$86,985	\$68,752	\$82,672	\$95,076	\$129,325	\$93,330	\$89,855	\$126,301	\$69,511	—

Section 3: Supplemental Information

Rate Group #12 for Plans G, H, Future Service, and U (Law Library)
Active Counts and Average Projected Compensation by Age and Years of Service
as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
25-29	1	1	—	—	—	—	—	—	—	—
	\$59,329	\$59,329	—	—	—	—	—	—	—	—
30-34	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
35-39	1	1	—	—	—	—	—	—	—	—
	\$64,197	\$64,197	—	—	—	—	—	—	—	—
40-44	1	—	—	1	—	—	—	—	—	—
	\$77,422	—	—	\$77,422	—	—	—	—	—	—
45-49	1	—	—	—	1	—	—	—	—	—
	\$131,645	—	—	—	\$131,645	—	—	—	—	—
50-54	3	—	1	—	—	1	1	—	—	—
	\$116,558	—	\$183,744	—	—	\$89,026	\$76,904	—	—	—
55-59	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
60-64	2	—	—	—	—	1	—	1	—	—
	\$110,209	—	—	—	—	\$131,392	—	\$89,026	—	—
65-69	1	—	—	—	—	—	1	—	—	—
	\$89,026	—	—	—	—	—	\$89,026	—	—	—
70 and over	3	—	—	—	—	1	—	1	1	—
	\$85,057	—	—	—	—	\$58,797	—	\$98,187	\$98,187	—
Total	13	2	1	1	1	3	2	2	1	—
	\$95,914	\$61,764	\$183,744	\$77,422	\$131,645	\$93,072	\$82,965	\$93,607	\$98,187	—

Section 3: Supplemental Information

Rate Group #6 for Plans E, F and V (Probation) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	14	14	—	—	—	—	—	—	—	—
	\$70,862	\$70,862	—	—	—	—	—	—	—	—
25-29	45	44	1	—	—	—	—	—	—	—
	\$80,737	\$80,764	\$79,557	—	—	—	—	—	—	—
30-34	52	28	24	—	—	—	—	—	—	—
	\$95,220	\$86,270	\$105,662	—	—	—	—	—	—	—
35-39	46	13	18	11	3	1	—	—	—	—
	\$102,533	\$90,540	\$105,034	\$110,290	\$108,990	\$108,740	—	—	—	—
40-44	83	10	8	9	39	17	—	—	—	—
	\$108,578	\$97,329	\$115,179	\$106,555	\$110,180	\$109,483	—	—	—	—
45-49	174	6	3	2	30	109	24	—	—	—
	\$116,020	\$112,557	\$83,970	\$103,799	\$109,992	\$115,341	\$132,529	—	—	—
50-54	123	7	1	2	10	40	54	9	—	—
	\$119,648	\$136,344	\$108,126	\$97,283	\$103,915	\$110,620	\$121,388	\$160,072	—	—
55-59	49	1	1	—	6	9	21	11	—	—
	\$118,656	\$191,679	\$119,167	—	\$87,385	\$103,328	\$112,292	\$153,719	—	—
60-64	14	—	1	1	—	5	4	1	2	—
	\$110,690	—	\$104,770	\$92,616	—	\$104,960	\$118,288	\$113,625	\$120,347	—
65-69	4	—	1	—	1	—	1	1	—	—
	\$105,912	—	\$120,961	—	\$93,772	—	\$91,625	\$117,289	—	—
70 and over	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
Total	604	123	58	25	89	181	104	22	2	—
	\$109,266	\$88,886	\$105,731	\$106,679	\$107,652	\$112,827	\$121,717	\$152,840	\$120,347	—

Section 3: Supplemental Information

Rate Group #7 for Plans E, F, Q, R and V (Law Enforcement) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	54	54	—	—	—	—	—	—	—	—
	\$112,632	\$112,632	—	—	—	—	—	—	—	—
25-29	312	236	76	—	—	—	—	—	—	—
	\$132,480	\$126,255	\$151,808	—	—	—	—	—	—	—
30-34	439	173	206	57	3	—	—	—	—	—
	\$152,620	\$136,837	\$161,252	\$168,468	\$168,994	—	—	—	—	—
35-39	444	76	142	176	50	—	—	—	—	—
	\$164,191	\$139,913	\$160,566	\$172,104	\$183,534	—	—	—	—	—
40-44	356	37	37	122	131	29	—	—	—	—
	\$175,762	\$144,484	\$166,736	\$173,105	\$184,089	\$200,749	—	—	—	—
45-49	248	25	14	30	75	73	31	—	—	—
	\$194,126	\$164,016	\$169,226	\$175,495	\$183,843	\$213,171	\$227,715	—	—	—
50-54	224	54	13	14	26	41	71	5	—	—
	\$196,554	\$176,759	\$180,614	\$184,884	\$178,203	\$196,316	\$219,967	\$249,367	—	—
55-59	138	40	36	7	10	16	21	5	3	—
	\$187,129	\$174,504	\$180,843	\$193,076	\$185,057	\$191,353	\$212,868	\$213,101	\$177,941	—
60-64	52	10	19	9	3	4	5	2	—	—
	\$184,725	\$166,316	\$184,552	\$191,679	\$247,868	\$172,006	\$179,354	\$191,281	—	—
65-69	13	1	2	7	3	—	—	—	—	—
	\$195,390	\$167,675	\$191,679	\$194,134	\$210,034	—	—	—	—	—
70 and over	1	—	—	1	—	—	—	—	—	—
	\$191,679	—	—	\$191,679	—	—	—	—	—	—
Total	2,281	706	545	423	301	163	128	12	3	—
	\$166,690	\$138,792	\$163,013	\$173,740	\$184,203	\$203,570	\$219,092	\$224,575	\$177,941	—

Section 3: Supplemental Information

Rate Group #8 for Plans E, F, Q, R and V (OCFA) Active Counts and Average Projected Compensation by Age and Years of Service as of December 31, 2025

Age	Total	0-4 Years	5-9 Years	10-14 Years	15-19 Years	20-24 Years	25-29 Years	30-34 Years	35-39 Years	40 Years and Over
Under 25	42	42	—	—	—	—	—	—	—	—
	\$84,200	\$84,200	—	—	—	—	—	—	—	—
25-29	140	126	14	—	—	—	—	—	—	—
	\$110,764	\$106,780	\$146,622	—	—	—	—	—	—	—
30-34	213	120	82	11	—	—	—	—	—	—
	\$137,906	\$124,489	\$154,731	\$158,847	—	—	—	—	—	—
35-39	227	60	113	43	11	—	—	—	—	—
	\$153,668	\$132,309	\$157,426	\$166,015	\$183,288	—	—	—	—	—
40-44	227	23	93	59	42	10	—	—	—	—
	\$170,893	\$137,916	\$169,580	\$172,129	\$183,625	\$198,195	—	—	—	—
45-49	198	9	32	54	62	35	6	—	—	—
	\$186,600	\$145,954	\$173,345	\$179,778	\$193,425	\$203,540	\$210,300	—	—	—
50-54	134	4	19	24	29	33	21	4	—	—
	\$194,799	\$214,862	\$182,912	\$176,336	\$203,028	\$193,846	\$210,943	\$205,417	—	—
55-59	54	—	8	10	7	9	11	8	1	—
	\$190,188	—	\$167,234	\$192,194	\$177,625	\$176,403	\$204,846	\$215,277	\$203,817	—
60-64	22	—	1	9	2	1	6	2	—	1
	\$179,031	—	\$188,560	\$186,653	\$156,601	\$158,131	\$182,439	\$149,881	—	\$204,525
65-69	13	—	2	5	—	—	2	—	1	3
	\$156,932	—	\$146,862	\$141,716	—	—	\$160,840	—	\$189,595	\$175,510
70 and over	3	—	—	2	—	—	—	—	—	1
	\$151,277	—	—	\$139,459	—	—	—	—	—	\$174,914
Total	1,273	384	364	217	153	88	46	14	2	5
	\$158,559	\$117,742	\$162,482	\$173,138	\$190,622	\$196,006	\$203,505	\$203,117	\$196,706	\$181,194

Section 3: Supplemental Information

Exhibit C: Reconciliation of member data

Line Description	Active Members	Inactive Members ¹³⁴	Retired Members	Disabled Members	Beneficiaries	Total
Number as of December 31, 2024	23,368	9,377	17,103	1,645	2,992	54,485
New members	1,290	138	0	0	219	1,647
Terminations with vested rights	(1,029)	1,029	0	0	0	0
Contribution refunds	(168)	(163)	0	0	0	(331)
Retirements	(669)	(184)	853	0	0	0
New disabilities	(13)	(2)	(39)	54	0	0
Return to work	44	(44)	0	0	0	0
Died with or without beneficiary	(26)	(19)	(405)	(41)	(126)	(617)
Data adjustments	0	0	1	0	(12)	(11)
Number as of December 31, 2025	22,797	10,132	17,513	1,658	3,073	55,173

¹³⁴ Includes members who chose to leave their contributions on deposit even though they have less than five years of service.

Section 3: Supplemental Information

Exhibit D: Summary of income and expenses on a market value basis

Line Description	Year Ended December 31, 2025	Year Ended December 31, 2024
Contribution income		
• Employer contributions	\$886,888,000	\$846,363,000
• Member contributions	313,190,000	302,545,000
• Discount for prepaid contributions	6,858,000	5,319,000
• Transfer from County Investment Account ¹³⁵	15,462,000	4,962,000
– Net contribution income	\$1,222,398,000	\$1,159,189,000
Investment income		
• Interest, dividends and other income	\$4,056,645,000	\$2,494,694,000
• Less investment and administrative fees	(233,725,000)	(214,471,000)
– Net investment income	\$3,822,920,000	\$2,280,223,000
Total income available for benefits	\$5,045,318,000	\$3,439,412,000
Less benefit payments		
• Benefits paid	\$(1,339,407,000)	\$(1,267,210,000)
• Refund of contributions	(16,450,000)	(18,200,000)
– Net benefit payments	\$(1,355,857,000)	\$(1,285,410,000)
Change in market value of assets	\$3,689,461,000	\$2,154,002,000
Net assets at market value at the beginning of the year	\$23,789,296,000	\$21,635,294,000
Net assets at market value at the end of the year¹³⁶	\$27,478,757,000	\$23,789,296,000

Note: Results may be slightly off due to rounding.

¹³⁵ Funded by pension obligation bond proceeds held by OCERS.

¹³⁶ See footnote 1 on next page for further detail.

Section 3: Supplemental Information

Exhibit E: Summary of plan assets

Line Description	Year Ended December 31, 2025	Year Ended December 31, 2024
Cash equivalents	\$1,501,901,000	\$1,496,523,000
Accounts receivable		
• Contributions	\$59,563,000	\$59,339,000
• Investment income	33,795,000	22,046,000
• Securities settlements	159,291,000	205,183,000
• All other	9,880,000	88,902,000
– Total accounts receivable	\$262,529,000	\$375,470,000
Investments		
• Equities	\$16,627,009,000	\$13,867,616,000
• Fixed income investments	4,102,238,000	3,730,232,000
• Alternative investments and diversified credit	5,644,498,000	5,009,015,000
• Security lending collateral	154,365,000	167,891,000
• Fixed assets net of accumulated depreciation	9,842,000	6,259,000
– Total investments at market value	\$26,537,952,000	\$22,781,013,000
Total assets	\$28,302,382,000	\$24,653,006,000
Accounts payable		
• Securities settlements	\$(300,568,000)	\$(305,453,000)
• Securities lending liability	(154,365,000)	(167,890,000)
• All other	(145,589,000)	(177,048,000)
– Total accounts payable	\$(600,522,000)	\$(650,391,000)
Net assets at market value¹³⁷	\$27,478,757,000	\$23,789,296,000
Net assets at actuarial value	\$25,652,999,000	\$23,688,986,000
Net assets at valuation value	\$25,652,999,000	\$23,688,986,000

Note: Results may be slightly off due to rounding.

¹³⁷The market value excludes \$161,418,000 and \$155,101,000 as of December 31, 2025 and December 31, 2024, respectively, in the County Investment Account (funded by pension obligation bond proceeds held by OCERS), \$41,549,000 and \$40,624,000 as of December 31, 2025 and December 31, 2024, respectively, in the prepaid employer contributions account, \$20,136,000 and \$17,594,000 as of December 31, 2025 and December 31, 2024, respectively in the O.C. Sanitation District UAAL Deferred Account (after transfer, if any).

Section 3: Supplemental Information

Exhibit F: Summary of reserve information

Reserve Information as of December 31, 2025

Line Description	Reserves
Used in development of valuation value of assets	
• Active Members Reserve	\$4,286,057,000
• Retired Members Reserve	17,848,561,000
• Employer Advanced Reserve	4,049,485,000
• ERI Contribution Reserve	18,575,000
• STAR COLA Contribution Reserve	0
• Unrealized Appreciation/(Depreciation) Included in valuation value of assets	(549,679,000)
Valuation value of assets	\$25,652,999,000
Not used in development of valuation value of assets	
• Unclaimed Member Deposit	\$0
• Medicare Medical Insurance Reserve	0
Actuarial value of assets	\$25,652,999,000
• Unrecognized Investment Gain / (Loss)	1,825,758,000
Market value of assets (net of County Investment Account,¹³⁸ Prepaid Employer Contributions, and O.C. Sanitation District UAAL Deferred Account)	\$27,478,757,000
• County Investment Account ¹³⁸	161,418,000
• Prepaid Employer Contributions	41,549,000
• O.C. Sanitation District UAAL Deferred Account	20,136,000
Gross market value of assets	\$27,701,860,000

¹³⁸Funded by pension obligation bond proceeds held by OCERS.

Section 3: Supplemental Information

Exhibit G: Development of the Plan through December 31, 2025

Year Ended December 31	Employer Contributions ¹³⁹	Member Contributions	Net Investment Return ^{140,141}	Benefit Payments	Market Value of Assets at Year-End	Valuation Value of Assets at Year-End	Valuation Value as a Percent of Market Value
2016	\$558,020,000	\$258,297,000	\$1,010,548,000	\$717,976,000	\$12,657,418,000	\$13,102,978,000	103.52%
2017	619,067,000	262,294,000	1,878,172,000	764,344,000	14,652,607,000	14,197,125,000	96.89%
2018	616,712,000	270,070,000	(361,321,000)	828,278,000	14,349,790,000	14,994,420,000	104.49%
2019	664,589,000	279,373,000	2,123,258,000	900,902,000	16,516,108,000	16,036,869,000	97.10%
2020	689,538,000	279,384,000	1,982,757,000	973,325,000	18,494,462,000	17,525,117,000	94.76%
2021	745,388,000	271,334,000	3,273,348,000	1,045,738,000	21,738,794,000	19,488,761,000	89.65%
2022	771,692,000	269,999,000	(2,106,139,000)	1,139,715,000	19,534,631,000	20,691,659,000	105.92%
2023	780,981,000	277,455,000	2,258,475,000	1,216,248,000	21,635,294,000	22,135,285,000	102.31%
2024	856,644,000	302,545,000	2,280,223,000	1,285,410,000	23,789,296,000	23,688,986,000	99.58%
2025	909,208,000	313,190,000	3,822,920,000	1,355,857,000	27,478,757,000	25,652,999,000	93.36%

¹³⁹ Includes discount for prepaid contributions, asset transfers from County Investment Account and asset transfer from O.C. Sanitation District UAAL Deferred Account, if any.

¹⁴⁰ On a market value basis, net of investment and administrative expenses.

¹⁴¹ Actual investment gains or losses on net pension plan assets includes both the administrative expenses and discount for prepaid contributions while excluding the investment gains or losses credited to County Investment Account and O.C. Sanitation District UAAL Deferred Account, if any.

Section 3: Supplemental Information

Exhibit H: Table of amortization bases

All Rate Groups Combined
(\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁴²
2012 Restart amortization	December 31, 2013	\$5,395,674	20	\$3,869,266	8	\$571,068
Actuarial (gain) or loss	December 31, 2013	(281,532)	20	(201,884)	8	(29,796)
Actuarial (gain) or loss	December 31, 2014	(152,703)	20	(116,862)	9	(15,610)
Assumption changes	December 31, 2014	(103,213)	20	(78,859)	9	(10,535)
Actuarial (gain) or loss	December 31, 2015	(76,285)	20	(61,611)	10	(7,540)
Actuarial (gain) or loss	December 31, 2016	57,904	20	48,889	11	5,538
Actuarial (gain) or loss	December 31, 2017	(168,282)	20	(147,341)	12	(15,569)
Assumption changes	December 31, 2017	821,239	20	719,043	12	75,984
Actuarial (gain) or loss	December 31, 2018	340,064	20	307,270	13	30,504
Actuarial (gain) or loss	December 31, 2019	291,741	20	270,454	14	25,369
Entry age method change	December 31, 2020	(35,289)	20	(33,397)	15	(2,976)
Actuarial (gain) or loss	December 31, 2020	(318,622)	20	(301,527)	15	(26,859)
Assumption changes	December 31, 2020	13,117	20	12,411	15	1,104
Actuarial (gain) or loss	December 31, 2021	(663,306)	20	(638,991)	16	(54,285)
Actuarial (gain) or loss	December 31, 2022	325,688	20	318,171	17	25,878
Actuarial (gain) or loss	December 31, 2023	20,356	20	20,100	18	1,572
Assumption changes	December 31, 2023	137,105	20	135,376	18	10,577
Actuarial (gain) or loss	December 31, 2024	167,742	20	166,902	19	12,563
Actuarial (gain) or loss	December 31, 2025	(280,959)	20	(280,959)	20	(20,431)
Subtotal				\$4,006,451		\$576,556

¹⁴² Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Base Type	Outstanding Balance
Rate Group #1 – Plans A, B and U for O.C. Vector Control	\$(1,946)
Rate Group #1 – Plans A, B and U for Department of Education	1,918
Rate Group #1 – Plans A, B and U for U.C.I.	16,308
Rate Group #1 – Plans A, B and U for Cypress Recreation and Parks	(986)
Rate Group #3 – Plans B, G, H and U (OCSD)	(28,446)
Rate Group #9 – Plans M, N and U (TCA)	(3,690)
Rate Group #12 – Plans G, H, future service, and U (Law Library)	(3,243)
Subtotal	\$(20,085)
	Outstanding Balance
Total	\$3,986,366

Note: The equivalent single amortization period is about 10 years.

Section 3: Supplemental Information

Rate Group #1 – Plans A, B and U (County and IHSS) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁴³
2012 Restart amortization	December 31, 2013	\$70,164	20	\$50,302	8	\$7,424
Actuarial (gain) or loss	December 31, 2013	(5,744)	20	(4,118)	8	(608)
Actuarial (gain) or loss	December 31, 2014	(2,744)	20	(2,100)	9	(281)
Assumption changes	December 31, 2014	(6,545)	20	(5,005)	9	(669)
Actuarial (gain) or loss	December 31, 2015	(1,650)	20	(1,333)	10	(163)
Actuarial (gain) or loss	December 31, 2016	(9,719)	20	(8,202)	11	(929)
Actuarial (gain) or loss	December 31, 2017	(5,387)	20	(4,717)	12	(498)
Assumption changes	December 31, 2017	21,900	20	19,174	12	2,026
Actuarial (gain) or loss	December 31, 2018	44	20	40	13	4
Actuarial (gain) or loss	December 31, 2019	(6,588)	20	(6,107)	14	(573)
Entry age method change	December 31, 2020	(222)	20	(210)	15	(19)
Actuarial (gain) or loss	December 31, 2020	(6,313)	20	(5,974)	15	(532)
Assumption changes	December 31, 2020	76	20	72	15	6
Actuarial (gain) or loss	December 31, 2021	(15,861)	20	(15,280)	16	(1,298)
Actuarial (gain) or loss	December 31, 2022	526	20	514	17	42
Actuarial (gain) or loss	December 31, 2023	(7,512)	20	(7,417)	18	(579)
Assumption changes	December 31, 2023	1,860	20	1,837	18	144
Actuarial (gain) or loss	December 31, 2024	2,624	20	2,611	19	197
Actuarial (gain) or loss	December 31, 2025	(7,166)	20	(7,166)	20	(521)
Subtotal				\$6,921		\$3,173

¹⁴³ Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Base Type	Outstanding Balance
Rate Group #1 – Plans A, B and U for O.C. Vector Control ¹⁴⁴	\$(1,946)
Rate Group #1 – Plans A, B and U for Department of Education ¹⁴⁴	1,918
Rate Group #1 – Plans A, B and U for U.C.I. ¹⁴⁴	16,308
Rate Group #1 – Plans A, B and U for Cypress Recreation and Parks ¹⁴⁴	(986)
Subtotal	\$15,294
Outstanding Balance	
Rate Group #1 Total	\$22,215

¹⁴⁴In determining the UAALs for the O.C. Vector Control District, Department of Education, U.C.I and Cypress Recreation and Parks, we first start by rolling forward the VVAs of these employers as of December 31, 2024 to December 31, 2025 to reflect the actual contributions, benefit payments and return on their VVAs during 2025. The AALs for these employers are obtained from internal valuation results.

Section 3: Supplemental Information

Rate Group #2 – Plans I, J, O, P, S, T, U and W (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁴⁵
2012 Restart amortization	December 31, 2013	\$3,438,555	20	\$2,465,099	8	\$363,826
Actuarial (gain) or loss	December 31, 2013	(173,790)	20	(124,589)	8	(18,388)
Actuarial (gain) or loss	December 31, 2014	(78,001)	20	(59,669)	9	(7,970)
Assumption changes	December 31, 2014	(246,714)	20	(188,733)	9	(25,211)
Actuarial (gain) or loss	December 31, 2015	(65,063)	20	(52,539)	10	(6,430)
Actuarial (gain) or loss	December 31, 2016	39,445	20	33,291	11	3,771
Subtotal¹⁴⁶				\$2,072,860		\$309,598
Actuarial (gain) or loss	December 31, 2017	\$(59,911)	20	\$(52,456)	12	\$(5,543)
Assumption changes	December 31, 2017	481,098	20	421,232	12	44,513
Actuarial (gain) or loss	December 31, 2018	207,573	20	187,555	13	18,619
Actuarial (gain) or loss	December 31, 2019	186,003	20	172,429	14	16,174
Entry age method change	December 31, 2020	(15,846)	20	(14,996)	15	(1,336)
Actuarial (gain) or loss	December 31, 2020	(118,155)	20	(111,816)	15	(9,960)
Assumption changes	December 31, 2020	183,272	20	173,439	15	15,449
Actuarial (gain) or loss	December 31, 2021	(330,889)	20	(318,758)	16	(27,080)
Actuarial (gain) or loss	December 31, 2022	195,127	20	190,624	17	15,504
Actuarial (gain) or loss	December 31, 2023	38,728	20	38,239	18	2,988
Assumption changes	December 31, 2023	123,452	20	121,894	18	9,523
Actuarial (gain) or loss	December 31, 2024	110,739	20	110,184	19	8,294
Actuarial (gain) or loss	December 31, 2025	(125,168)	20	(125,168)	20	(9,102)
Subtotal¹⁴⁷				\$792,402		\$78,043

¹⁴⁵ Level percentage of payroll, assumes payments at the end of the month.

¹⁴⁶ This amount is spread over the payroll for all employers in Rate Group #2 excluding the payroll for Children and Families Commission.

¹⁴⁷ This amount is spread over the payroll for all employers in Rate Group #2 including the payroll for Children and Families Commission.

Section 3: Supplemental Information

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁴⁵
Rate Group #2 Total				\$2,865,262		\$387,641

Note: We have made an adjustment to the amortization bases to reflect the \$1.7 million additional contributions made by Children and Families Commission to pay off their UAAL as of December 31, 2016. With that adjustment, we have reduced the amortization layers established on or before December 31, 2016 for Rate Group #2 by that amount on a pro-rata basis. The UAAL contribution rate for Children and Families Commission is determined based on the amortization layers established on or after December 31, 2017.

Section 3: Supplemental Information

Rate Group #3 – Plans B, G, H and U (OCSD) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁴⁸
Rate Group #3 Total				\$(28,446)		\$0

¹⁴⁸ Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Rate Group #5 – Plans A, B and U (OCTA) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁴⁹
2012 Restart amortization	December 31, 2013	\$232,513	20	\$166,826	8	\$24,622
Actuarial (gain) or loss	December 31, 2013	(13,471)	20	(9,664)	8	(1,426)
Actuarial (gain) or loss	December 31, 2014	4,522	20	3,463	9	463
Assumption changes	December 31, 2014	(19,944)	20	(15,270)	9	(2,040)
Actuarial (gain) or loss	December 31, 2015	(933)	20	(754)	10	(92)
Actuarial (gain) or loss	December 31, 2016	(9,743)	20	(8,231)	11	(932)
Actuarial (gain) or loss	December 31, 2017	(9,948)	20	(8,709)	12	(920)
Assumption changes	December 31, 2017	43,481	20	38,069	12	4,023
Actuarial (gain) or loss	December 31, 2018	22,318	20	20,166	13	2,002
Actuarial (gain) or loss	December 31, 2019	12,234	20	11,342	14	1,064
Entry age method change	December 31, 2020	(2,414)	20	(2,285)	15	(204)
Actuarial (gain) or loss	December 31, 2020	(30,867)	20	(29,211)	15	(2,602)
Assumption changes	December 31, 2020	4,801	20	4,543	15	405
Actuarial (gain) or loss	December 31, 2021	(49,440)	20	(47,628)	16	(4,046)
Actuarial (gain) or loss	December 31, 2022	37,213	20	36,355	17	2,957
Actuarial (gain) or loss	December 31, 2023	4,392	20	4,337	18	339
Assumption changes	December 31, 2023	7,669	20	7,573	18	592
Actuarial (gain) or loss	December 31, 2024	(4,308)	20	(4,286)	19	(323)
Actuarial (gain) or loss	December 31, 2025	(29,536)	20	(29,536)	20	(2,148)
Rate Group #5 Total				\$137,100		\$21,734

¹⁴⁹ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #9 – Plans M, N and U (TCA) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁵⁰
Rate Group #9 Total				\$(3,690)		\$0

¹⁵⁰ Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Rate Group #10 – Plans I, J, M, N and U (OCFA) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁵¹
2012 Restart amortization	December 31, 2013	\$72,750	20	\$52,196	8	\$7,704
Actuarial (gain) or loss	December 31, 2013	(2,659)	20	(1,907)	8	(281)
Actuarial (gain) or loss	December 31, 2014	(3,755)	20	(2,875)	9	(384)
Assumption changes	December 31, 2014	(4,489)	20	(3,438)	9	(459)
Actuarial (gain) or loss	December 31, 2015	626	20	505	10	62
Actuarial (gain) or loss	December 31, 2016	134	20	113	11	13
Actuarial (gain) or loss	December 31, 2017	(15,281)	20	(13,380)	12	(1,414)
Assumption changes	December 31, 2017	9,159	20	8,019	12	847
Actuarial (gain) or loss	December 31, 2018	(6,934)	20	(6,266)	13	(622)
Actuarial (gain) or loss	December 31, 2019	76	20	70	14	7
Entry age method change	December 31, 2020	(2,018)	20	(1,911)	15	(170)
Actuarial (gain) or loss	December 31, 2020	(12,238)	20	(11,582)	15	(1,032)
Assumption changes	December 31, 2020	3,814	20	3,609	15	321
Actuarial (gain) or loss	December 31, 2021	(10,169)	20	(9,797)	16	(832)
Actuarial (gain) or loss	December 31, 2022	2,038	20	1,991	17	162
Actuarial (gain) or loss	December 31, 2023	(1,617)	20	(1,597)	18	(125)
Assumption changes	December 31, 2023	2,135	20	2,108	18	165
Actuarial (gain) or loss	December 31, 2024	336	20	334	19	25
Actuarial (gain) or loss	December 31, 2025	(4,613)	20	(4,613)	20	(335)
Rate Group #10 Total				\$11,579		\$3,652

¹⁵¹ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #11 – Plans M and N, future service, and U (Cemetery) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁵²
Restart amortization & Assumption changes	December 31, 2017	\$281	20	\$245	12	\$26
Actuarial (gain) or loss	December 31, 2018	(244)	20	(220)	13	(22)
Actuarial (gain) or loss	December 31, 2019	613	20	569	14	53
Entry age method change	December 31, 2020	(43)	20	(41)	15	(4)
Actuarial (gain) or loss	December 31, 2020	(178)	20	(169)	15	(15)
Assumption changes	December 31, 2020	218	20	206	15	18
Actuarial (gain) or loss	December 31, 2021	(394)	20	(380)	16	(32)
Actuarial (gain) or loss	December 31, 2022	337	20	328	17	27
Actuarial (gain) or loss	December 31, 2023	(366)	20	(361)	18	(28)
Assumption changes	December 31, 2023	150	20	148	18	12
Actuarial (gain) or loss	December 31, 2024	41	20	41	19	3
Actuarial (gain) or loss	December 31, 2025	(227)	20	(227)	20	(17)
Rate Group #11 Total				\$139		\$21

¹⁵² Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #12 – Plans G, H, future service, and U (Law Library) (*\$ in '000s*)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁵³
Rate Group #12 Total				\$(3,243)		\$0

¹⁵³ Level percentage of payroll, assumes payments at the end of the month.

Section 3: Supplemental Information

Rate Group #6 – Plans E, F and V (Probation) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁵⁴
2012 Restart amortization	December 31, 2013	\$192,912	20	\$138,411	8	\$20,428
Actuarial (gain) or loss	December 31, 2013	(14,039)	20	(10,072)	8	(1,487)
Actuarial (gain) or loss	December 31, 2014	(2,596)	20	(1,988)	9	(266)
Assumption changes	December 31, 2014	36,260	20	27,762	9	3,708
Actuarial (gain) or loss	December 31, 2015	(10,703)	20	(8,651)	10	(1,059)
Actuarial (gain) or loss	December 31, 2016	13,799	20	11,656	11	1,320
Actuarial (gain) or loss	December 31, 2017	(6,566)	20	(5,749)	12	(608)
Assumption changes	December 31, 2017	50,030	20	43,804	12	4,629
Actuarial (gain) or loss	December 31, 2018	8,046	20	7,270	13	722
Actuarial (gain) or loss	December 31, 2019	8,063	20	7,476	14	701
Entry age method change	December 31, 2020	(44)	20	(42)	15	(4)
Actuarial (gain) or loss	December 31, 2020	(14,580)	20	(13,797)	15	(1,229)
Assumption changes	December 31, 2020	(36,195)	20	(34,253)	15	(3,051)
Actuarial (gain) or loss	December 31, 2021	(39,490)	20	(38,042)	16	(3,232)
Actuarial (gain) or loss	December 31, 2022	21,662	20	21,161	17	1,721
Actuarial (gain) or loss	December 31, 2023	(106)	20	(104)	18	(8)
Assumption changes	December 31, 2023	1,185	20	1,170	18	91
Actuarial (gain) or loss	December 31, 2024	25,662	20	25,533	19	1,922
Actuarial (gain) or loss	December 31, 2025	(14,221)	20	(14,221)	20	(1,034)
Rate Group #6 Total				\$157,324		\$23,264

¹⁵⁴ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #7 – Plans E, F, Q, R and V (Law Enforcement) (\$ in '000s)

Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁵⁵
2012 Restart amortization	December 31, 2013	\$988,833	20	\$709,475	8	\$104,712
Actuarial (gain) or loss	December 31, 2013	(51,652)	20	(37,059)	8	(5,470)
Actuarial (gain) or loss	December 31, 2014	(34,729)	20	(26,590)	9	(3,552)
Assumption changes	December 31, 2014	102,262	20	78,294	9	10,458
Actuarial (gain) or loss	December 31, 2015	23,666	20	19,126	10	2,341
Actuarial (gain) or loss	December 31, 2016	39,724	20	33,553	11	3,800
Actuarial (gain) or loss	December 31, 2017	(27,922)	20	(24,446)	12	(2,583)
Assumption changes	December 31, 2017	161,417	20	141,331	12	14,935
Actuarial (gain) or loss	December 31, 2018	69,329	20	62,644	13	6,219
Actuarial (gain) or loss	December 31, 2019	75,023	20	69,548	14	6,524
Entry age method change	December 31, 2020	(4,900)	20	(4,637)	15	(413)
Actuarial (gain) or loss	December 31, 2020	(62,670)	20	(59,307)	15	(5,283)
Assumption changes	December 31, 2020	(88,103)	20	(83,377)	15	(7,427)
Actuarial (gain) or loss	December 31, 2021	(138,239)	20	(133,172)	16	(11,314)
Actuarial (gain) or loss	December 31, 2022	73,109	20	71,422	17	5,809
Actuarial (gain) or loss	December 31, 2023	(12,680)	20	(12,520)	18	(978)
Assumption changes	December 31, 2023	765	20	755	18	59
Actuarial (gain) or loss	December 31, 2024	85,504	20	85,076	19	6,404
Actuarial (gain) or loss	December 31, 2025	(81,372)	20	(81,372)	20	(5,917)
Rate Group #7 Total				\$808,744		\$118,324

¹⁵⁵ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Rate Group #8 – Plans E, F, Q, R and V (OCFA) (\$ in '000s)

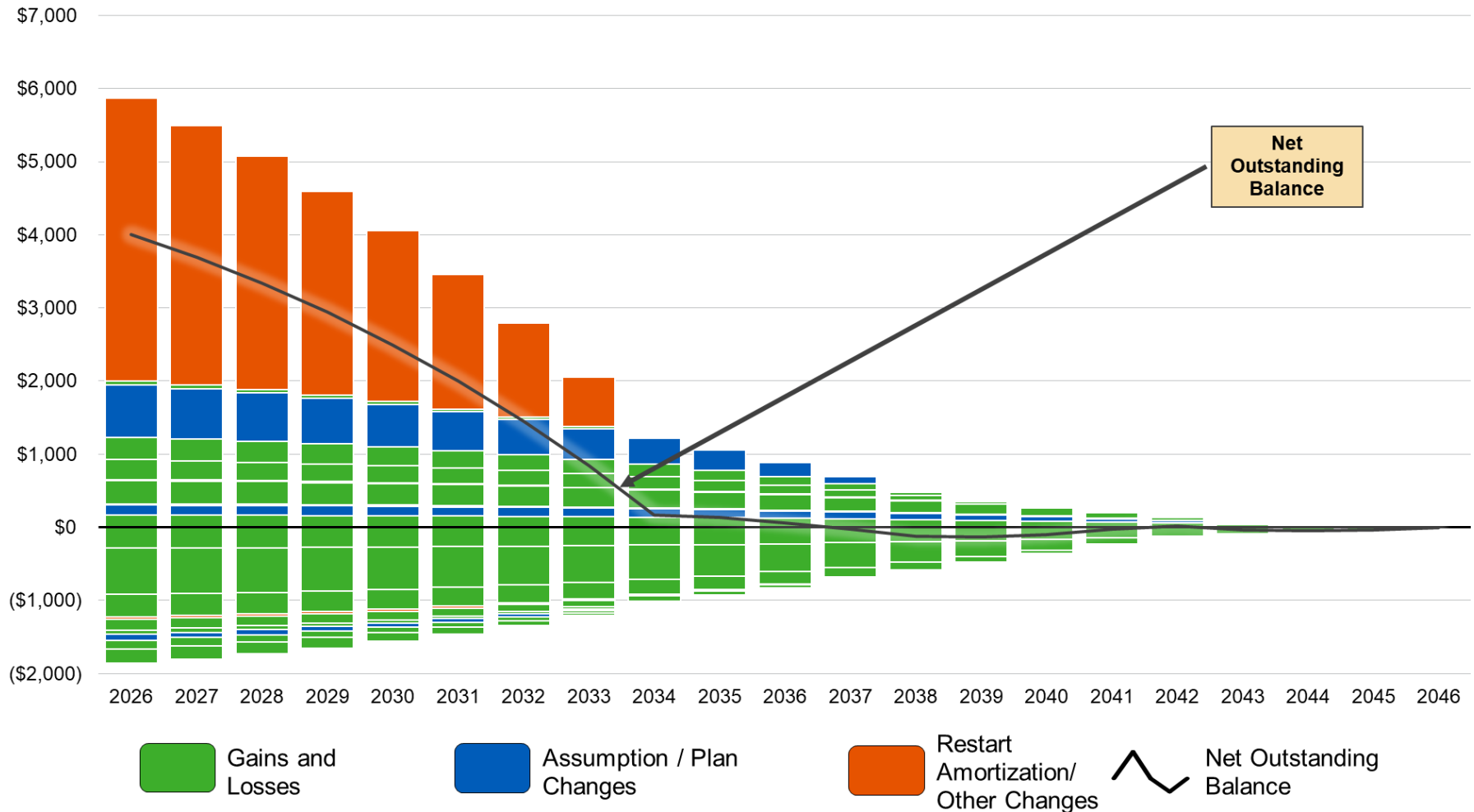
Base Type	Date Established	Initial Amount	Initial Period	Outstanding Balance	Years Remaining	Annual Payment ¹⁵⁶
2012 Restart amortization	December 31, 2013	\$399,947	20	\$286,957	8	\$42,352
Actuarial (gain) or loss	December 31, 2013	(20,177)	20	(14,475)	8	(2,136)
Actuarial (gain) or loss	December 31, 2014	(35,400)	20	(27,103)	9	(3,620)
Assumption changes	December 31, 2014	35,957	20	27,531	9	3,678
Actuarial (gain) or loss	December 31, 2015	(22,228)	20	(17,965)	10	(2,199)
Actuarial (gain) or loss	December 31, 2016	(15,736)	20	(13,291)	11	(1,505)
Actuarial (gain) or loss	December 31, 2017	(43,031)	20	(37,677)	12	(3,981)
Assumption changes	December 31, 2017	53,637	20	46,962	12	4,963
Actuarial (gain) or loss	December 31, 2018	39,932	20	36,081	13	3,582
Actuarial (gain) or loss	December 31, 2019	16,317	20	15,127	14	1,419
Entry age method change	December 31, 2020	(9,802)	20	(9,275)	15	(826)
Actuarial (gain) or loss	December 31, 2020	(73,621)	20	(69,671)	15	(6,206)
Assumption changes	December 31, 2020	(54,766)	20	(51,828)	15	(4,617)
Actuarial (gain) or loss	December 31, 2021	(78,824)	20	(75,934)	16	(6,451)
Actuarial (gain) or loss	December 31, 2022	(4,324)	20	(4,224)	17	(344)
Actuarial (gain) or loss	December 31, 2023	(483)	20	(477)	18	(37)
Assumption changes	December 31, 2023	(111)	20	(109)	18	(9)
Actuarial (gain) or loss	December 31, 2024	(52,856)	20	(52,591)	19	(3,959)
Actuarial (gain) or loss	December 31, 2025	(18,656)	20	(18,656)	20	(1,357)
Rate Group #8 Total				\$19,382		\$18,747

¹⁵⁶ Calculated as a level percentage of payroll, payable at the end of the month.

Section 3: Supplemental Information

Exhibit I: Projection of UAAL balances and payments

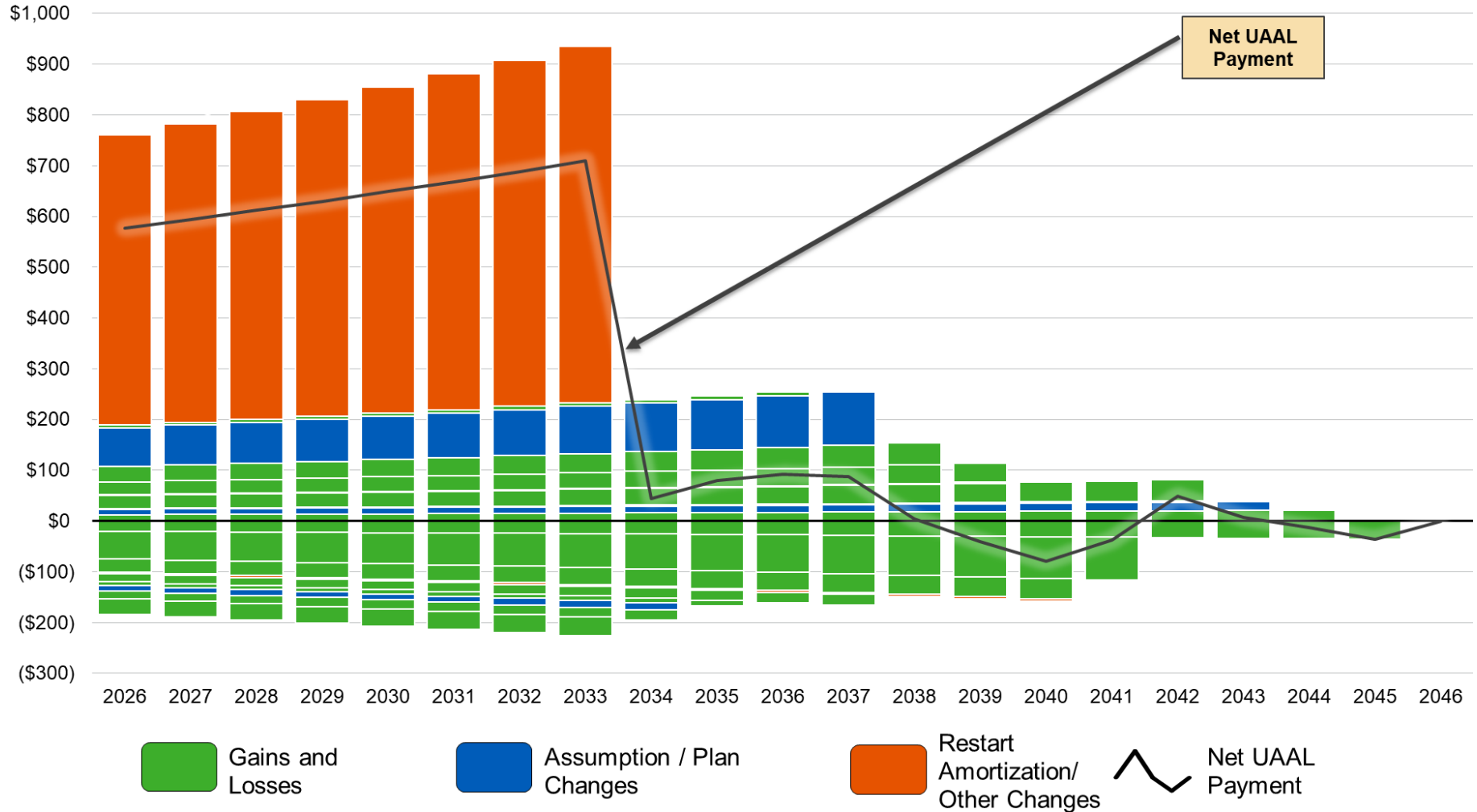
Outstanding Balance of \$4.0 Billion in Net UAAL as of December 31, 2025¹⁵⁷
 (\$ in Millions)



¹⁵⁷ As of December 31, 2036, the Net Outstanding Balance of OCERS' UAAL for all rate groups combined is projected to become negative even though the UAAL for some individual rate groups is still expected to be positive. Since this graph is for illustrative purposes only, we have not refined the Net UAAL amount in calendar years 2037 and thereafter to show only the UAAL for those rate groups that have a positive UAAL and are still required to make annual UAAL contributions as shown on the next page.

Section 3: Supplemental Information

Annual Payments Required to Amortize \$4.0 Billion in Net UAAL as of December 31, 2025¹⁵⁸
 (\$ in Millions)



¹⁵⁸ Please refer to the footnote shown on previous page for annual UAAL contribution amount in calendar years 2037 and thereafter.

Section 4: Actuarial Valuation Basis

Exhibit 1: Actuarial assumptions, methods and models

Rationale for assumptions

The information and analysis used in selecting each assumption that has a significant effect on this actuarial valuation is shown in the January 1, 2020 through December 31, 2022 Actuarial Experience Study dated August 11, 2023. Unless otherwise noted, all actuarial assumptions and methods shown below apply to all members for all tiers. These assumptions were adopted by the Board.

Net investment return

7.00%; net of administrative and investment expenses.

Based on the Actuarial Experience Study referenced above, expected administrative and investment expenses represent about 0.30% of the actuarial value of assets.

Inflation rate

Increase of 2.50% per year.

Cost-of-Living Adjustment (COLA)

Retiree COLA increases of 2.75% per year. For members that have COLA banks, we assume they receive 3.00% COLA increases until their COLA banks are exhausted and 2.75% thereafter.

The actual COLA granted by OCERS on April 1, 2026 has been reflected for non-active members in the December 31, 2025 valuation.

Member contribution crediting rate

5.00%, compounded semi-annually.

Section 4: Actuarial Valuation Basis

Payroll

Inflation of 2.50% per year plus “across-the-board” salary increase of 0.50% per year, used to amortize the UAAL as a level percentage of payroll.

Increase in Internal Revenue Code Section 401(a)(17) compensation limit

Increase of 2.50% per year from the valuation date.

Increase in Section 7522.10 compensation limit

Increase of 2.50% per year from the valuation date.

Section 4: Actuarial Valuation Basis

Salary increase

The annual rate of compensation increase includes:

- Inflation at 2.50%, plus
- “Across-the-board” salary increase of 0.50% per year, plus
- Merit and promotion increase based on years of service:

Merit and Promotion Increases¹⁵⁹

Years of Service	General	Safety
Less than 1	5.00%	12.00%
1–2	7.25%	10.00%
2–3	6.50%	8.75%
3–4	5.50%	7.75%
4–5	4.50%	6.75%
5–6	3.75%	5.75%
6–7	3.00%	5.00%
7–8	2.75%	3.75%
8–9	2.00%	3.00%
9–10	1.80%	2.75%
10–11	1.60%	2.00%
11–12	1.50%	1.85%
12–13	1.40%	1.85%
13–14	1.30%	1.85%
14–15	1.25%	1.85%
15–16	1.25%	1.60%
16–17	1.15%	1.60%
17–18	1.10%	1.60%
18–19	1.10%	1.60%
19–20	0.90%	1.50%
20 and over	0.90%	1.50%

¹⁵⁹ In addition to the individual salary increase assumptions, we have applied an average of two hours of additional salary annually for leap-year salary adjustment.

Section 4: Actuarial Valuation Basis

Post-retirement mortality rates

The Pub-2010 mortality tables and adjustments as shown below reasonably reflect the mortality experience as of the measurement date. These mortality tables were adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

Healthy

- **General members:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Safety members:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) decreased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Disabled

- **General members:** Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) decreased 5% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Safety members:** Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) decreased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Beneficiary

- **Beneficiaries not currently in pay status:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Beneficiaries in pay status:** Pub-2010 Contingent Survivor Amount-Weighted Above Median Mortality Table (separate tables for males and females) increased 10% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Section 4: Actuarial Valuation Basis

Pre-retirement mortality rates

- **General members:** Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.
- **Safety members:** Pub-2010 Safety Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2021.

Pre-Retirement Mortality Rates — Before Generational Projection from 2010

Age	General Male	General Female	Safety Male	Safety Female
20	0.04%	0.01%	0.04%	0.02%
25	0.02%	0.01%	0.03%	0.02%
30	0.03%	0.01%	0.04%	0.02%
35	0.04%	0.02%	0.04%	0.03%
40	0.06%	0.03%	0.05%	0.04%
45	0.09%	0.05%	0.07%	0.06%
50	0.13%	0.08%	0.10%	0.08%
55	0.19%	0.11%	0.15%	0.11%
60	0.28%	0.17%	0.23%	0.14%
65	0.41%	0.27%	0.35%	0.20%
70	0.61%	0.44%	0.66%	0.39%

All General pre-retirement deaths are assumed to be non-service connected.

For Safety, 90% of pre-retirement deaths are assumed to be non-service connected. The other 10% are assumed to be service connected.

Section 4: Actuarial Valuation Basis

Mortality rates for member contributions

- **General members:** Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) increased 5% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2021, weighted 40% male and 60% female.
- **Safety members:** Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) decreased by 5% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2021, weighted 85% male and 15% female.

Section 4: Actuarial Valuation Basis

Disability incidence

Disability Incidence Rates

Age	General All Other	General OCTA	Safety Law & Fire	Safety Probation
20	0.00%	0.00%	0.00%	0.00%
25	0.00%	0.00%	0.02%	0.03%
30	0.01%	0.03%	0.08%	0.08%
35	0.03%	0.20%	0.19%	0.13%
40	0.07%	0.36%	0.34%	0.18%
45	0.13%	0.46%	0.46%	0.26%
50	0.21%	0.56%	1.22%	0.36%
55	0.28%	0.72%	3.38%	0.49%
60	0.30%	1.04%	5.40%	0.22%
65	0.30%	1.68%	7.50%	0.00%

75% of General All Other disabilities are assumed to be service-connected disabilities. The other 25% are assumed to be non-service connected.

85% of General OCTA disabilities are assumed to be service-connected disabilities. The other 15% are assumed to be non-service connected.

100% of Safety Law Enforcement and Fire disabilities are assumed to be service-connected disabilities.

85% of Safety Probation disabilities are assumed to be service-connected disabilities. The other 15% are assumed to be non-service connected.

Section 4: Actuarial Valuation Basis

Termination

Termination Rates

Years of Service	General All Other	General OCTA	Safety Law & Fire	Safety Probation
Less than 1	11.25%	16.50%	4.00%	12.50%
1–2	7.25%	11.50%	3.00%	11.50%
2–3	6.50%	9.25%	2.50%	9.50%
3–4	5.50%	8.25%	2.25%	5.00%
4–5	5.25%	7.75%	2.00%	4.00%
5–6	4.75%	6.50%	1.75%	3.25%
6–7	4.25%	4.25%	1.25%	2.75%
7–8	4.00%	4.00%	1.20%	2.75%
8–9	3.50%	3.50%	1.15%	2.50%
9–10	3.00%	2.75%	1.10%	1.75%
10–11	2.50%	2.75%	1.05%	1.50%
11–12	2.00%	2.50%	1.00%	1.50%
12–13	1.75%	2.50%	0.95%	1.25%
13–14	1.75%	2.25%	0.65%	1.00%
14–15	1.60%	2.25%	0.60%	0.75%
15–16	1.50%	2.00%	0.55%	0.75%
16–17	1.40%	2.00%	0.50%	0.75%
17–18	1.30%	1.75%	0.45%	0.75%
18–19	1.20%	1.75%	0.40%	0.50%
19–20	1.00%	1.25%	0.30%	0.25%
20 and over	0.50%	0.75%	0.15%	0.20%

Section 4: Actuarial Valuation Basis

Election for withdrawal of contributions

Election Rates

Years of Service	General All Other	General OCTA	Safety Law & Fire	Safety Probation
Less than 5	25.00%	35.00%	25.00%	20.00%
5–9	17.50%	30.00%	25.00%	20.00%
10–14	17.50%	25.00%	12.50%	20.00%
15 and over	15.00%	15.00%	12.50%	15.00%

Section 4: Actuarial Valuation Basis

Retirement rates

Retirement Rates – General

Age	Enhanced Less than 30 Years of Service	Enhanced 30 or More Years of Service	Non-Enhanced ¹⁶⁰ Less than 30 Years of Service	Non-Enhanced ¹⁶⁰ 30 or More Years of Service
49	0.00%	30.00%	0.00%	25.00%
50	2.25%	5.00%	2.75%	2.75%
51	2.25%	5.00%	2.75%	2.75%
52	2.50%	5.00%	2.75%	2.75%
53	3.00%	9.00%	2.75%	2.75%
54	7.50%	16.00%	2.75%	2.75%
55	13.00%	35.00%	3.25%	3.50%
56	10.00%	24.00%	3.25%	3.50%
57	10.00%	22.00%	5.50%	5.50%
58	10.00%	22.00%	6.50%	6.50%
59	11.00%	24.00%	6.50%	6.50%
60	12.00%	24.00%	8.00%	12.00%
61	12.00%	24.00%	8.00%	15.00%
62	14.00%	24.00%	8.00%	18.00%
63	14.00%	24.00%	10.00%	22.00%
64	17.00%	30.00%	12.00%	25.00%
65	25.00%	30.00%	22.00%	30.00%
66	25.00%	30.00%	25.00%	32.00%
67	25.00%	30.00%	27.00%	32.00%
68	25.00%	25.00%	32.00%	32.00%
69	25.00%	25.00%	30.00%	30.00%
70	25.00%	25.00%	25.00%	30.00%
71	25.00%	25.00%	20.00%	30.00%
72	22.00%	25.00%	20.00%	30.00%
73	20.00%	25.00%	20.00%	30.00%
74	20.00%	25.00%	20.00%	30.00%
75	100.00%	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

¹⁶⁰ These assumptions are also used for the CalPEPRA 1.62% @ 65 formula (Plan T and Plan W).

Section 4: Actuarial Valuation Basis

Retirement Rates – Safety

Age	Law (31664.1) Less than 30 Years of Service	Law (31664.1) 30 or More Years of Service	Fire (31664.1) Less than 30 Years of Service	Fire (31664.1) 30 or More Years of Service	Probation (31664.1) Less than 30 Years of Service	Probation (31664.1) 30 or More Years of Service
45	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
46	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
47	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
48	2.50%	16.00%	2.00%	10.00%	3.00%	5.00%
49	12.00%	16.00%	2.00%	10.00%	3.00%	5.00%
50	18.00%	20.00%	4.50%	10.00%	9.00%	12.00%
51	18.00%	20.00%	4.50%	10.00%	7.00%	10.00%
52	18.00%	20.00%	4.50%	10.00%	5.00%	9.00%
53	20.00%	35.00%	9.00%	20.00%	7.00%	9.00%
54	24.00%	35.00%	12.00%	25.00%	7.00%	12.00%
55	24.00%	35.00%	12.00%	25.00%	12.00%	30.00%
56	24.00%	35.00%	12.00%	25.00%	18.00%	30.00%
57	24.00%	35.00%	20.00%	25.00%	25.00%	30.00%
58	24.00%	40.00%	20.00%	30.00%	25.00%	30.00%
59	24.00%	40.00%	25.00%	30.00%	18.00%	30.00%
60	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
61	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
62	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
63	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
64	30.00%	40.00%	25.00%	30.00%	20.00%	40.00%
65	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

Section 4: Actuarial Valuation Basis

Retirement Rates

Age	General SJC (31676.12)	Safety Law (31664.2)	Safety Fire (31664.2)
50	4.00%	12.00%	8.00%
51	4.00%	12.50%	9.00%
52	4.00%	13.00%	10.00%
53	4.00%	18.00%	12.00%
54	4.00%	19.00%	14.00%
55	4.00%	35.00%	24.00%
56	5.00%	25.00%	23.00%
57	6.00%	25.00%	25.00%
58	7.00%	25.00%	25.00%
59	9.00%	30.00%	35.00%
60	10.00%	40.00%	40.00%
61	12.00%	40.00%	40.00%
62	13.00%	40.00%	40.00%
63	13.00%	40.00%	40.00%
64	19.00%	40.00%	40.00%
65	22.00%	100.00%	100.00%
66	26.00%	100.00%	100.00%
67	26.00%	100.00%	100.00%
68	26.00%	100.00%	100.00%
69	26.00%	100.00%	100.00%
70	45.00%	100.00%	100.00%
71	45.00%	100.00%	100.00%
72	45.00%	100.00%	100.00%
73	45.00%	100.00%	100.00%
74	45.00%	100.00%	100.00%
75	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

Section 4: Actuarial Valuation Basis

Retirement Rates

Age	CalPEPRA 2.5% @ 67 General Formula	CalPEPRA 2.7% @ 57 Safety Formula Probation	CalPEPRA 2.7% @ 57 Safety Formula Law	CalPEPRA 2.7% @ 57 Safety Formula Fire
50	0.00%	3.00%	11.50%	6.00%
51	0.00%	3.00%	12.00%	6.50%
52	5.50%	3.50%	12.50%	8.00%
53	2.00%	3.50%	16.50%	10.00%
54	2.00%	6.00%	17.50%	12.00%
55	2.75%	12.00%	30.00%	20.00%
56	3.75%	12.00%	20.00%	19.00%
57	5.50%	15.00%	20.00%	21.00%
58	7.50%	25.00%	25.00%	25.00%
59	7.50%	25.00%	30.00%	30.00%
60	7.50%	40.00%	40.00%	40.00%
61	7.50%	40.00%	40.00%	40.00%
62	14.00%	40.00%	40.00%	40.00%
63	14.00%	40.00%	40.00%	40.00%
64	15.00%	40.00%	40.00%	40.00%
65	20.00%	100.00%	100.00%	100.00%
66	22.00%	100.00%	100.00%	100.00%
67	23.00%	100.00%	100.00%	100.00%
68	23.00%	100.00%	100.00%	100.00%
69	23.00%	100.00%	100.00%	100.00%
70	25.00%	100.00%	100.00%	100.00%
71	25.00%	100.00%	100.00%	100.00%
72	25.00%	100.00%	100.00%	100.00%
73	25.00%	100.00%	100.00%	100.00%
74	25.00%	100.00%	100.00%	100.00%
75	100.00%	100.00%	100.00%	100.00%

The retirement rates only apply to members that are eligible to retire at the age shown.

Section 4: Actuarial Valuation Basis

Retirement age and benefit for deferred vested members

Current and Future Inactive Member Assumptions

Membership and Reciprocity	% of Future ¹⁶¹ Deferred Vested Members	Annual Salary Increases from Separation Date	Retirement Age for Members with Less than Five Years of Service	Retirement Age for Members with Five or More Years of Service
General <i>with</i> reciprocity	12.5%	3.90%	60	60
General <i>without</i> reciprocity	87.5%	N/A	70	58
Safety <i>with</i> reciprocity	20.0%	4.50%	54	54
Safety <i>without</i> reciprocity	80.0%	N/A	70	54

Liability calculation for current deferred vested members

Liability for a current deferred vested member is calculated based on salary (adjusted with the additional cashout assumptions for non-CalPEPRA members), service, and eligibility for reciprocal benefit as provided by the Retirement System. For those members without salary information that have 3 or more years of service, we used an average salary. For those members without salary information that have less than 3 years of service or for those members without service information, we assumed a refund of account balance.

Future benefit accruals

1.0 year of service per year of employment. There is no assumption to anticipate conversion of unused sick leave at retirement.

Unknown data for members

Same as those exhibited by members with similar known characteristics. If not specified, members are assumed to be male.

Inclusion of deferred vested members

All deferred vested members are included in the valuation.

¹⁶¹ OCERS provides the reciprocity status for current deferred vested members in the valuation census data.

Section 4: Actuarial Valuation Basis

Definition of active members

First day of employment.

Form of payment

All active and inactive members are assumed to elect the unmodified option at retirement.

Spousal assumptions

Current Active and Inactive Member Spousal Assumptions

Member Gender	% with Spouse at Retirement or Pre-Retirement Death	Spouse Age	Spouse Gender
Male member	75%	3 years younger than member	Female
Female member	55%	2 years older than member	Male

Nonbinary member assumptions

A blended mortality table is used based on the sex-distinct mortality tables above and the proportion of males and females for General and Safety separately. A blended mortality is also used for the spouse of a nonbinary member with the opposite proportion of males and females used for the member.

The spousal assumptions for percentage with spouse at retirement or pre-retirement death and for spouse age are also blended based on the proportion of males and females for General and Safety separately.

Section 4: Actuarial Valuation Basis

Cashout assumptions

Additional compensation amounts are expected to be received during a member's final average earnings period. The percentages used in this valuation are:

Rates

Plan	Final One Year Salary	Final Three Year Salary
General Non CalPEPRA	3.00%	3.20%
Safety Probation Non CalPEPRA	N/A	3.50%
Safety Law Non CalPEPRA	N/A	6.60%
Safety Fire Non CalPEPRA	N/A	1.50%
General CalPEPRA	N/A	N/A
Safety Probation CalPEPRA	N/A	N/A
Safety Law CalPEPRA	N/A	N/A
Safety Fire CalPEPRA	N/A	N/A

The additional cashout assumptions are the same for service and disability retirements.

Actuarial cost method

Entry age actuarial cost method.

Entry age is the age on the valuation date minus the lesser of years of employment or years of benefit service. Normal cost and AAL are calculated on an individual basis and are based on costs allocated as a level percentage of compensation. The normal cost rate is calculated assuming their entry age is the date they entered service with OCERS.

Please note that for Probation members who have prior benefit service in another General OCERS plan, the normal cost rate for the current plan is calculated assuming their entry age is the date they entered service with their current plan.

Section 4: Actuarial Valuation Basis

Actuarial value of assets

Market value of assets less unrecognized returns in each of the last five annual accounting periods. Unrecognized returns are equal to the difference between the actual market return and the expected return on the market value, and are recognized annually over a five-year period.

Valuation value of assets

The actuarial value of assets reduced by the value of the non-valuation reserves.

Amortization policy

Effective December 31, 2013, the outstanding balance of the UAAL from the December 31, 2012 valuation was combined and re-amortized over a declining 20-year period (8 years remaining as of December 31, 2025).

Any new UAAL resulting from plan amendments are amortized over separate decreasing 15-year periods; early retirement incentive programs (ERIPs) are amortized over separate decreasing 5-year periods; assumption and method changes are amortized over separate decreasing 20-year periods; and experience gains/losses are also amortized over separate decreasing 20-year periods.

Employer contributions

The recommended employer contributions are provided in *Section 2, Subsection F* and consist of two components:

Normal cost

The annual contribution rate that, if paid annually from a member's first year of membership through the year of retirement, would accumulate to the amount necessary to fully fund the member's retirement-related benefits. Accumulation includes annual crediting of interest at the assumed investment earning rate.

The contribution rate is determined as a level percentage of the member's compensation.

Contribution to the UAAL

The annual contribution rate that, if paid annually over the UAAL amortization period, would accumulate to the amount necessary to fully fund the UAAL. Accumulation includes annual crediting of interest at the assumed investment earning rate.

Section 4: Actuarial Valuation Basis

The contribution (or rate credit in the case of a negative UAAL) is calculated to remain as a level percentage of future active member payroll (including payroll for new members as they enter the System) assuming a constant number of active members. In order to remain as a level percentage of payroll, amortization payments (credits) are scheduled to increase at the annual payroll growth rate assumption.

Member contributions

The member contribution rates for all members are provided in *Section 4, Exhibit 3*.

Non-CalPEPRA Members

Articles 6 and 6.8 of the CERL define the methodology to be used in the calculation of member basic contribution rates for General members and Safety members, respectively. The basic contribution rate is determined so that the accumulation of a member's basic contributions made each year until a certain age (age is 60 for General Plans A, B, M, N, O, P and S, 55 for General Plans G, H, I and J, and 50 for Safety Plans E, F, Q and R) will be sufficient to fund an annuity at that age that is equal to:

- 1/200 of Final Average Salary for General Plan A;
- 1/120 of Final Average Salary for General Plan B;
- 1/100 of Final Average Salary for General Plans G, H, I, J, and S;
- 1/120 of Final Average Salary for General Plans M, N, O, and P;
- 1/200 of Final Average Salary for Safety Plans E and Q, and;
- 1/100 of Final Average Salary for Safety Plans F and R.

It is assumed that contributions are made annually at the same rate, starting at entry age.

In addition to the basic contributions, members also pay one-half of the total normal cost necessary to fund cost-of-living benefits which is calculated separately for each rate group, with the exception of Rate Groups #9 and #11, which are developed on a combined or pooled basis as described in our Cost Sharing Structure letter dated July 30, 2010. Within each rate group, the COLA normal cost is either pooled for Tiers 1 and 2 because the same 3% COLA is provided for both Tiers, or it differs by a set formula based on past practice we carried over from the OCERS' prior actuary. Accumulation includes crediting of interest at the assumed investment earnings rate.

Effective with the December 31, 2014 valuation, for determining the cost of the total benefit (i.e., basic and COLA components), the effect of the assumed additional cashouts are recognized in the valuation as an employer and member cost.

Section 4: Actuarial Valuation Basis

CalPEPRA Members

Pursuant to Section 7522.30(a) of the Government Code, members in Plans T, U, V and W are required to contribute at least 50% of the normal cost rate. We have assumed that exactly 50% of the normal cost would be paid by the members in these Plans. Also of note is that based on our recommendation, OCERS decided to use the discretion made available by AB1380 to not round the member's contribution rate to the nearest $\frac{1}{4}\%$ as previously required by CalPEPRA.

For members in Plan T and Plan W, their basic rates have been calculated using a methodology similar to that used for Plan P. For members in Plan U or Plan V, their basic rates have been calculated using a methodology outlined in our letter dated December 4, 2012 that was previously approved by the Board.

Internal Revenue Code Section 415

Section 415 of the Internal Revenue Code (IRC) specifies the maximum benefits that may be paid to an individual from a defined benefit plan and the maximum amounts that may be allocated each year to an individual's account in a defined contribution plan.

A qualified pension plan may not pay benefits in excess of the Section 415 limits. The ultimate penalty for non-compliance is disqualification: active members could be taxed on their vested benefits and the IRS may seek to tax the income earned on the plan's assets.

Section 415(b) of the IRC limits the maximum annual benefit payable at the normal retirement age to a dollar limit of \$160,000 indexed for inflation. That limit is \$290,000 for 2026. Normal retirement age for these purposes is age 62. These are the limits in simplified terms. They must be adjusted based on each participant's circumstances, for such things as age at retirement, form of benefits chosen and after-tax contributions.

Non-CalPEPRA benefits in excess of the limits may be paid through a qualified governmental excess plan that meets the requirements of Section 415(m).

Legal Counsel's review and interpretation of the law and regulations should be sought on any questions in this regard.

Non-CalPEPRA contribution rates determined in this valuation have not been reduced for the Section 415 limitations. Actual limitations will result in gains as they occur.

Section 4: Actuarial Valuation Basis

Models

Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.

Justification for change in actuarial assumptions, methods or models

There was one refinement included in our January 1, 2020 through December 31, 2022 Actuarial Experience Study report dated August 11, 2023 that was deferred to allow for further discussion with OCERS, involving a change in allocation of the normal cost associated with providing COLA benefits for Safety legacy members with 30 or more years of service. The Board adopted the change in methodology for allocating the COLA normal cost for Safety legacy members with 30 or more years of service. Prior to the December 31, 2025 valuation, the COLA normal cost for these members was allocated to the remaining Safety legacy members who had less than 30 years of service. Effective with this valuation, the COLA normal cost has been allocated to the employer.

Section 4: Actuarial Valuation Basis

Exhibit 2: Summary of plan provisions

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions. If the System should find the plan summary not in accordance with the actual provisions, the System should alert the actuary so they can both be sure the proper provisions are valued.

Plan year

January 1 through December 31.

Membership eligibility

Membership with OCERS begins with the day of employment in an eligible position by the County or a participating employer.

Non-CalPEPRA General Plans

Membership Tier	Membership Tier Eligibility
Plan G (2.5% @ 55)	General members of Orange County Sanitation District and Law Library ¹⁶² hired before September 21, 1979.
Plan H (2.5% @ 55)	General members of Orange County Sanitation District ¹⁶³ and Law Library ¹⁶² hired on or after September 21, 1979.
Plan I (2.7% @ 55)	General members of City of San Juan Capistrano, Orange County (except AFSCME bargaining unit), Orange County Superior Court, Local Agency Formation Commission, ¹⁶² Orange County Employees Retirement System, ¹⁶⁴ Children and Families Commission, ¹⁶⁵ and Orange County Fire Authority hired before September 21, 1979.
Plan J (2.7% @ 55)	General members of City of San Juan Capistrano, Orange County (except AFSCME bargaining unit), Orange County Superior Court, Local Agency Formation Commission, ¹⁶² Orange County Employees Retirement System, ¹⁶⁴ Children and Families Commission, ¹⁶⁵ and Orange County Fire Authority hired on or after September 21, 1979.
Plan M (2.0% @ 55)	General members of Transportation Corridor Agency and Cemetery District ¹⁶⁶ hired before September 21, 1979.

¹⁶² Improvement is prospective only for service after June 23, 2005.

¹⁶³ Members of Orange County Sanitation District within Supervisors and Professional bargaining unit hired on or after October 1, 2010 are in Plan B.

¹⁶⁴ Improvement for Management members is prospective only for service after June 30, 2005.

¹⁶⁵ Improvement is prospective only for service after December 22, 2005.

¹⁶⁶ Improvement is prospective only for service after December 7, 2007.

Section 4: Actuarial Valuation Basis

Membership Tier	Membership Tier Eligibility
Plan N (2.0% @ 55)	General members of Transportation Corridor Agency and Cemetery District ¹⁶² hired on or after September 21, 1979 and General members of Orange County Fire Authority hired on or after July 1, 2011.
Plan O (1.62% @ 65)	General members of Orange County (OCEA bargaining unit) and Superior Court rehired on or after May 7, 2010 and General members of Local Agency Formation Commission rehired on or after July 1, 2010 and General members of Orange County (Management) rehired on or after August 17, 2010 and not electing to rejoin Plan I.
Plan P (1.62% @ 65)	General members of Orange County (OCEA bargaining unit) and Superior Court rehired on or after May 7, 2010 and General members of Local Agency Formation Commission rehired on or after July 1, 2010 and General members of Orange County (Management) rehired on or after August 17, 2010 and not electing to rejoin Plan J.
Plan S (2.0% @ 57)	General members of San Juan Capistrano hired on or after July 1, 2012.
Plan A (2.0% @ 57)	General members of all other employers hired before September 21, 1979.
Plan B (1.64% @ 57)	General members of all other employers hired on or after September 21, 1979 and Orange County Sanitation District members (Supervisors and Professional bargaining unit) hired on or after October 1, 2010.

Section 4: Actuarial Valuation Basis

Non-CalPEPRA Safety Plans

Membership Tier	Membership Tier Eligibility
Plan E (3.0% @ 50)	Safety members of Orange County (Law Enforcement and Probation) and Orange County Fire Authority hired before September 21, 1979.
Plan F (3.0% @ 50)	Safety members of Orange County (Law Enforcement and Probation) and Orange County Fire Authority hired on or after September 21, 1979 and before April 9, 2010 for Law Enforcement, before July 1, 2011 for Orange County Fire Authority Executive Management members, and before July 1, 2012 for other Orange County Fire Authority members.
Plan Q (3.0% @ 55)	Safety members of Orange County (Law Enforcement) rehired on or after April 9, 2010, Safety members of Orange County Fire Authority Executive Management rehired on or after July 1, 2011, and other Safety members of Orange County Fire Authority rehired on or after July 1, 2012 and previously enrolled in Plan E.
Plan R (3.0% @ 55)	Safety members of Orange County (Law Enforcement) hired on or after April 9, 2010, Safety members of Orange County Fire Authority Executive Management hired on or after July 1, 2011, and other Safety members of Orange County Fire Authority hired on or after July 1, 2012.

CalPEPRA General Plans

Membership Tier	Membership Tier Eligibility
Plan T (1.62% @ 65)	General members of Orange County (except County Attorneys), Orange County Employees Retirement System (except Management), Local Agency Formation Commission, and Orange County Superior Court with membership dates on or after January 1, 2013.
Plan U (2.5% @ 67)	General members of Orange County Transportation Authority with membership dates on or after January 1, 2015 and General members of all other employers, Orange County (County Attorneys), Orange County Employees Retirement System (Management), and Orange County Superior Court, ¹⁶⁷ with membership dates on or after January 1, 2013.
Plan W (1.62% @ 65)	General members of City of San Juan Capistrano with membership dates on or after January 1, 2016 and not electing Plan U.

¹⁶⁷ Improvement is prospective only for service after July 1, 2023.

Section 4: Actuarial Valuation Basis

CalPEPRA Safety Plans

Membership Tier	Membership Tier Eligibility
Plan V (2.7% @ 57)	Safety members of Orange County (Law Enforcement and Probation) and Orange County Fire Authority with membership dates on or after January 1, 2013.

Final average compensation and service for benefit determination

Final Compensation and Service	Plan Provision
Final average compensation	
Plans A, E, G, I, M, O and Q	Highest consecutive 12 months of compensation earnable (§31462.1) (FAS1).
Plans B, F, H, J, N, P, R and S	Highest consecutive 36 months of compensation earnable (§31462) (FAS3).
Plan T	Highest 36 months of pensionable compensation (§7522.32 and §7522.34) (FAS3).
Plans U, V and W	Highest 36 months of pensionable compensation (§7522.10(c), §7522.32 and §7522.34) (FAS3).
Compensation limit	
Plan U, V and W	Pensionable compensation is limited to \$159,733 for 2026 for an employer that is enrolled in Social Security. For an employer that is not enrolled in Social Security, the maximum amount for 2026 is 120% of \$159,733, or \$191,679 (§7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers after 2026 (§7522.10(d)).
Service	
All members	Years of service (Yrs) are generally based on a member's employment during a period of time for which deductions are made from their compensation.

Service retirement benefits

Provision by Tier	Service Retirement Plan Provision
Eligibility	
General Plans A, B, G, H, I, J, M, N, O, P, S, T and W	Age 50 with 10 years of service, or age 70 regardless of service, or after 30 years of service regardless of age (§31672). All part time members over age 55 with 10 years of employment may retire with five years of service.
General Plan U	Age 52 with 5 years of service (§7522.20(a)) or age 70 regardless of service (§31672.3).

Section 4: Actuarial Valuation Basis

Provision by Tier	Service Retirement Plan Provision
Safety Plans E, F, Q and R	Age 50 with 10 years of service, or age 70 regardless of service, or after 20 years regardless of age (§31663.25). All part time members over age 55 with 10 years of employment may retire with 5 years of service.
Safety Plan V	Age 50 with 5 years of service (§7522.25(d)) or age 70 regardless of service (§31672.3).
Benefit amount	
All members	The benefit formula for all members varies by membership tier and retirement age. See the tables below for a selection of benefit formulas at various ages for each membership tier.
Maximum benefit	
Plans A, B, E, F, G, H, I, J, M, N, O, P, Q, R, S, T and W	100% of final average compensation (§31676.01, §31676.1, §31676.12, §31676.16, §31676.18, §31676.19, §31664.1, §31664.2).
Plans U and V	There is no final compensation limit on the maximum retirement benefit.

Service retirement benefit formula (sample ages)

Tier and Retirement Age	Service Retirement Benefit Formula by Tier
General Plan G – 2.5% @ 55 (§31676.18)	
50	2.00% × FAS1 × Yrs
55	2.50% × FAS1 × Yrs
60	2.50% × FAS1 × Yrs
62 and over ¹⁶⁸	2.62% × FAS1 × Yrs
General Plan H – 2.5% @ 55 (§31676.18)	
50	2.00% × FAS3 × Yrs
55 and over	2.50% × FAS3 × Yrs
General Plan I – 2.7% @ 55 (§31676.19)	
50	2.00% × FAS1 × Yrs
55 and over	2.70% × FAS1 × Yrs

¹⁶⁸ Reflects benefit factors from Plan A as they provide a better benefit than those under 2.5% @ 55.

Section 4: Actuarial Valuation Basis

Tier and Retirement Age	Service Retirement Benefit Formula by Tier
General Plan J – 2.7% @ 55 (\$31676.19)	
50	$2.00\% \times \text{FAS3} \times \text{Yrs}$
55 and over	$2.70\% \times \text{FAS3} \times \text{Yrs}$
General Plan M – 2.0% @ 55 (\$31676.16)	
50	$1.43\% \times \text{FAS1} \times \text{Yrs}$
55	$2.00\% \times \text{FAS1} \times \text{Yrs}$
60 ¹⁶⁹	$2.34\% \times \text{FAS1} \times \text{Yrs}$
62 and over ¹⁶⁹	$2.62\% \times \text{FAS1} \times \text{Yrs}$
General Plan N – 2.0% @ 55 (\$31676.16)	
50	$1.43\% \times \text{FAS3} \times \text{Yrs}$
55	$2.00\% \times \text{FAS3} \times \text{Yrs}$
60	$2.26\% \times \text{FAS3} \times \text{Yrs}$
62	$2.37\% \times \text{FAS3} \times \text{Yrs}$
65 and over ¹⁷⁰	$2.43\% \times \text{FAS3} \times \text{Yrs}$
General Plan O – 1.62% @ 65 (\$31676.01)	
50	$0.79\% \times \text{FAS1} \times \text{Yrs}$
55	$0.99\% \times \text{FAS1} \times \text{Yrs}$
60	$1.28\% \times \text{FAS1} \times \text{Yrs}$
62	$1.39\% \times \text{FAS1} \times \text{Yrs}$
65 and over	$1.62\% \times \text{FAS1} \times \text{Yrs}$

¹⁶⁹ Reflects benefit factors from Plan A as they provide a better benefit than those under 2.0% @ 55.

¹⁷⁰ Reflects benefit factors from Plan B as they provide a better benefit than those under 2.0% @ 55.

Section 4: Actuarial Valuation Basis

Tier and Retirement Age	Service Retirement Benefit Formula by Tier
General Plans P, T and W – 1.62% @ 65 (\$31676.01)	
50	0.79% x FAS3 x Yrs
55	0.99% x FAS3 x Yrs
60	1.28% x FAS3 x Yrs
62	1.39% x FAS3 x Yrs
65 and over	1.62% x FAS3 x Yrs
General Plan S – 2.0% @ 57 (\$31676.12)	
50	1.34% x FAS3 x Yrs
55	1.77% x FAS3 x Yrs
60	2.34% x FAS3 x Yrs
62 and over	2.62% x FAS3 x Yrs
General Plan A – 2.0% @ 57 (\$31676.12)	
50	1.34% x FAS1 x Yrs
55	1.77% x FAS1 x Yrs
60	2.34% x FAS1 x Yrs
62 and over	2.62% x FAS1 x Yrs
General Plan B – 1.64% @ 57 (\$31676.1)	
50	1.18% x FAS3 x Yrs
55	1.49% x FAS3 x Yrs
60	1.92% x FAS3 x Yrs
62	2.09% x FAS3 x Yrs
65 and over	2.43% x FAS3 x Yrs

Section 4: Actuarial Valuation Basis

Tier and Retirement Age	Service Retirement Benefit Formula by Tier
General Plan U – 2.5% @ 67 (§7522.20(a))	
52	1.00% x FAS3 x Yrs
55	1.30% x FAS3 x Yrs
60	1.80% x FAS3 x Yrs
62	2.00% x FAS3 x Yrs
65	2.30% x FAS3 x Yrs
67 and over	2.50% x FAS3 x Yrs
Safety Plan E – 3.0% @ 50 (§31664.1)	
50 and over	3.00% x FAS1 x Yrs
Safety Plan F – 3.0% @ 50 (§31664.1)	
50 and over	3.00% x FAS3 x Yrs
Safety Plan Q – 3.0% @ 55 (§31664.2)	
50	2.29% x FAS1 x Yrs
55 and over	3.00% x FAS1 x Yrs
Safety Plan R – 3.0% @ 55 (§31664.2)	
50	2.29% x FAS3 x Yrs
55 and over	3.00% x FAS3 x Yrs
Safety Plan V – 2.7% @ 57 (§7522.25(d))	
50	2.00% x FAS3 x Yrs
55	2.50% x FAS3 x Yrs
57 and over	2.70% x FAS3 x Yrs

Section 4: Actuarial Valuation Basis

Disability benefits

Non-service-connected disability

Provision by Tier	Non-Service-Connected Disability Plan Provision
Eligibility	
All members	Five years of service (§31720).
Benefit amount	
General Plans A, G, I, M and O	1.8% of final average compensation per year of service. If the benefit does not exceed one-third of final average compensation, the service is projected to 62, but the total projected benefit cannot be more than one-third of final average compensation (§31727.1). 100% of the service retirement benefit is payable, if greater.
General Plans B, H, J, N, P, S, T, U and W	1.5% of final average compensation per year of service. If the benefit does not exceed one-third of final average compensation, the service is projected to 65, but the total projected benefit cannot be more than one-third of final average compensation (§31727). 100% of the service retirement benefit is payable, if greater.
Safety Plans E, F, Q, R and V	1.8% of final average compensation per year of service. If the benefit does not exceed one-third of final average compensation, the service is projected to 55, but the total projected benefit cannot be more than one-third of final average compensation (§31727.2). 100% of the service retirement benefit is payable, if greater.

Service-connected disability

Provision by Tier	Service-Connected Disability Plan Provision
Eligibility	
All members	No age or service requirements (§31720).
Benefit amount	
All members	50% of the final average compensation or 100% of service retirement benefit, if greater (§31727.4).

Section 4: Actuarial Valuation Basis

Pre-retirement death benefits

Non-service-connected death

Provision by Tier	Pre-Retirement Death (Non-Service-Connected Death) Benefit Plan Provision
Eligibility	
All members	No age or service requirements.
Vested members	Five years of service.
Benefit amount	
All members	Refund of employee contributions with interest, plus one month's compensation for each year of service, to a maximum of six months' compensation (§317181). A lump sum benefit in the amount of \$1,000 is payable upon the death of a member (with 10 years of service) to his/her eligible beneficiary (§31790).
Vested members	60% of the greater of service retirement or non-service-connected disability benefit payable to surviving eligible spouse (§31765.1, §31781.1), in lieu of the basic lump sum benefit above (§31781).

Service-connected death

Provision by Tier	Pre-Retirement Death (Service-Connected) Benefit Plan Provision
Eligibility	
All members	No age or service requirements.
Benefit amount	
All members	50% of final average compensation or 100% of service retirement benefit, if greater, payable to spouse or minor children (§31787).

Section 4: Actuarial Valuation Basis

Post-retirement death benefits

Service retirement or non-service-connected disability retirement

Provision by Tier	Post-Retirement Death (Service Retirement or Non-Service-Connected Disability Retirement) Benefit Plan Provision
All members	Unless another option was selected at retirement, 60% of member's unmodified allowance continued to eligible spouse (§31760.1). ¹⁷¹ A lump sum benefit amount of \$1,000 is payable upon the death of a member (with 10 years of service) to his/her eligible beneficiary (§31790).

Service-connected disability retirement

Provision by Tier	Post-Retirement Death (Service-Connected Disability Retirement) Benefit Plan Provision
All members	Unless another option was selected at retirement, 100% of member's unmodified allowance continued to eligible spouse (§31786). ¹ A lump sum benefit amount of \$1,000 is payable upon the death of a member (with 10 years of service) to his/her eligible beneficiary (§31790).

¹⁷¹ An eligible spouse is a surviving spouse who was married to the member at least one year prior to the date of retirement.

Section 4: Actuarial Valuation Basis

Withdrawal benefits

Provision by Tier	Withdrawal Benefit Plan Provision
Eligibility	
All members	No age or service requirements.
Vested members	Five years of service.
Benefit amount	
All members	Refund of accumulated employee contributions with interest, or effective January 1, 2003, in lieu of a refund of employee contributions, a member may elect to leave contributions on deposit in the retirement fund (§31629.5). If contributions left on deposit, eligible for retirement benefits at age 70 (§31628).
Vested members	Refund of accumulated employee contributions with interest, or if contributions left on deposit, eligible for retirement benefits at any time after eligible to retire (§31700).

Post-retirement cost-of-living benefits

Annual adjustment based on Consumer Price Index to a maximum of 3% per year; excess “banked” (§31870.1).

Supplemental benefit

Non-vested supplemental COLA benefit is also paid by the System to eligible retirees and survivors. This benefit has been excluded from this valuation.

Member normal cost contributions

Please refer to *Section 4, Exhibit 3* for specific rates.

Section 4: Actuarial Valuation Basis

Provision by Tier	Member Contribution Plan Provision
General Plan A	
Basic contributions	Entry-age based rates that provide for an annuity at age 60 equal to 1/200 of FAS1 (§31621.5).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plan B	
Basic contributions	Entry-age based rates that provide for an annuity at age 60 equal to 1/120 of FAS3 (§31621).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plans G, H, I and J	
Basic contributions	Entry-age based rates that provide for an annuity at age 55 equal to 1/100 of FAS3 (FAS1 for Plans G and I) (§31621.8).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plans M, N, O and P	
Basic contributions	Entry-age based rates that provide for an annuity at age 60 equal to 1/120 of FAS3 (FAS1 for Plans M and O) (§31621).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plan S	
Basic contributions	Entry-age based rates that provide for an annuity at age 60 equal to 1/100 of FAS3 (§31621.2).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
Safety Plans E and Q	
Basic contributions	Entry-age based rates that provide for an annuity at age 50 equal to 1/200 of FAS1 (§31639.5).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
Safety Plans F and R	
Basic contributions	Entry-age based rates that provide for an annuity at age 50 equal to 1/100 of FAS3 (§31639.25).
Cost-of-living contributions	Entry-age based rates that provide for one-half of future cost-of-living costs.
General Plans T, U, and W and Safety Plan V	
Contributions	Entry-age based rates that provide for one-half of the total normal cost rate.

Section 4: Actuarial Valuation Basis

Other information

Non-CalPEPRA Safety members with 30 or more years of benefit service are exempt from paying member contributions. This also applies for General members hired on or before March 7, 1973.

Changes in Plan Provisions

There have been no changes in plan provisions since the prior valuation.

Section 4: Actuarial Valuation Basis

Exhibit 3: Member contribution rates

General Tier 1 Members' Contribution Rates
(as a % of Monthly Payroll)

Entry Age	Plan I (2.7% @ 55) Normal	Plan I (2.7% @ 55) Total	Plan A (OCTA) Normal	Plan A (OCTA) Total
16	7.26%	10.25%	3.14%	5.27%
17	7.39%	10.44%	3.19%	5.37%
18	7.53%	10.64%	3.25%	5.47%
19	7.67%	10.83%	3.31%	5.57%
20	7.81%	11.03%	3.38%	5.67%
21	7.95%	11.24%	3.44%	5.78%
22	8.10%	11.44%	3.50%	5.89%
23	8.25%	11.66%	3.57%	5.99%
24	8.40%	11.87%	3.63%	6.11%
25	8.56%	12.09%	3.70%	6.22%
26	8.71%	12.32%	3.77%	6.33%
27	8.88%	12.55%	3.84%	6.45%
28	9.04%	12.78%	3.91%	6.57%
29	9.21%	13.02%	3.98%	6.69%
30	9.39%	13.27%	4.05%	6.81%
31	9.57%	13.52%	4.13%	6.94%
32	9.75%	13.78%	4.21%	7.07%
33	9.94%	14.04%	4.29%	7.20%
34	10.13%	14.32%	4.37%	7.34%
35	10.33%	14.60%	4.45%	7.48%
36	10.52%	14.87%	4.53%	7.62%
37	10.72%	15.15%	4.62%	7.77%
38	10.92%	15.43%	4.71%	7.92%
39	11.11%	15.70%	4.80%	8.07%
40	11.32%	15.99%	4.90%	8.23%

Section 4: Actuarial Valuation Basis

Entry Age	Plan I (2.7% @ 55) Normal	Plan I (2.7% @ 55) Total	Plan A (OCTA) Normal	Plan A (OCTA) Total
41	11.53%	16.29%	4.99%	8.38%
42	11.74%	16.59%	5.08%	8.54%
43	11.95%	16.89%	5.17%	8.69%
44	12.17%	17.20%	5.27%	8.85%
45	12.38%	17.50%	5.36%	9.01%
46	12.60%	17.80%	5.46%	9.18%
47	12.75%	18.01%	5.56%	9.35%
48	12.89%	18.21%	5.66%	9.52%
49	12.97%	18.33%	5.77%	9.69%
50	12.99%	18.36%	5.87%	9.86%
51	12.92%	18.26%	5.97%	10.03%
52	12.74%	18.01%	6.04%	10.15%
53	12.45%	17.60%	6.11%	10.27%
54	12.21%	17.26%	6.15%	10.33%
55	12.21%	17.26%	6.16%	10.35%
56	12.21%	17.26%	6.12%	10.29%
57	12.21%	17.26%	6.04%	10.15%
58	12.21%	17.26%	5.90%	9.92%
59	12.21%	17.26%	5.79%	9.73%
60 and over	12.21%	17.26%	5.79%	9.73%
<i>COLA loading</i>		<i>41.32%</i>		<i>68.08%</i>

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

General Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan J (2.7% @ 55 non-OCFA) Normal	Plan J (2.7% @ 55 non-OCFA) Total	Plan H (2.5% @ 55 OCSD) Normal	Plan H (2.5% @ 55 OCSD) Total	Plan N (2.0% @ 55) ¹⁷² Normal	Plan N (2.0% @ 55) ¹⁷² Total
16	6.99%	9.88%	6.99%	9.65%	5.04%	7.66%
17	7.12%	10.07%	7.12%	9.83%	5.13%	7.81%
18	7.25%	10.25%	7.25%	10.01%	5.23%	7.95%
19	7.39%	10.44%	7.39%	10.19%	5.33%	8.10%
20	7.52%	10.63%	7.52%	10.38%	5.42%	8.25%
21	7.66%	10.83%	7.66%	10.57%	5.52%	8.40%
22	7.80%	11.03%	7.80%	10.77%	5.63%	8.55%
23	7.95%	11.23%	7.95%	10.97%	5.73%	8.71%
24	8.09%	11.44%	8.09%	11.17%	5.83%	8.87%
25	8.24%	11.65%	8.24%	11.37%	5.94%	9.04%
26	8.39%	11.86%	8.39%	11.58%	6.05%	9.20%
27	8.55%	12.08%	8.55%	11.80%	6.16%	9.37%
28	8.71%	12.31%	8.71%	12.02%	6.28%	9.54%
29	8.87%	12.54%	8.87%	12.24%	6.39%	9.72%
30	9.04%	12.77%	9.04%	12.47%	6.51%	9.90%
31	9.21%	13.01%	9.21%	12.71%	6.63%	10.08%
32	9.38%	13.26%	9.38%	12.95%	6.75%	10.27%
33	9.56%	13.52%	9.56%	13.20%	6.88%	10.46%
34	9.74%	13.77%	9.74%	13.45%	7.01%	10.66%
35	9.92%	14.02%	9.92%	13.70%	7.14%	10.86%
36	10.10%	14.28%	10.10%	13.94%	7.27%	11.06%
37	10.28%	14.53%	10.28%	14.19%	7.41%	11.27%
38	10.46%	14.78%	10.46%	14.44%	7.55%	11.49%
39	10.64%	15.04%	10.64%	14.69%	7.70%	11.70%
40	10.83%	15.30%	10.83%	14.94%	7.84%	11.92%

¹⁷² Payable by members in Rate Group #9 and Rate Group #11.

Section 4: Actuarial Valuation Basis

Entry Age	Plan J (2.7% @ 55 non-OCFA) Normal	Plan J (2.7% @ 55 non-OCFA) Total	Plan H (2.5% @ 55 OCSD) Normal	Plan H (2.5% @ 55 OCSD) Total	Plan N (2.0% @ 55) ¹⁷³ Normal	Plan N (2.0% @ 55) ¹⁷³ Total
41	11.02%	15.57%	11.02%	15.20%	7.98%	12.13%
42	11.20%	15.83%	11.20%	15.46%	8.12%	12.35%
43	11.39%	16.09%	11.39%	15.71%	8.26%	12.56%
44	11.57%	16.34%	11.57%	15.96%	8.41%	12.78%
45	11.72%	16.56%	11.72%	16.17%	8.55%	13.01%
46	11.85%	16.74%	11.85%	16.35%	8.70%	13.23%
47	11.93%	16.86%	11.93%	16.47%	8.85%	13.45%
48	11.97%	16.92%	11.97%	16.52%	8.99%	13.68%
49	11.94%	16.88%	11.94%	16.48%	9.13%	13.89%
50	11.83%	16.72%	11.83%	16.33%	9.26%	14.08%
51	11.64%	16.45%	11.64%	16.06%	9.36%	14.23%
52	11.44%	16.17%	11.44%	15.79%	9.42%	14.33%
53	11.82%	16.70%	11.82%	16.31%	9.46%	14.38%
54	12.21%	17.26%	12.21%	16.86%	9.43%	14.34%
55	12.21%	17.26%	12.21%	16.86%	9.35%	14.21%
56	12.21%	17.26%	12.21%	16.86%	9.19%	13.98%
57	12.21%	17.26%	12.21%	16.86%	9.04%	13.74%
58	12.21%	17.26%	12.21%	16.86%	9.33%	14.19%
59	12.21%	17.26%	12.21%	16.86%	9.65%	14.67%
60 and over	12.21%	17.26%	12.21%	16.86%	9.65%	14.67%
<i>COLA loading</i>		41.32%		38.00%		52.08%

Interest: 7.00% per annum
 COLA: 2.75%
 Mortality: See Section 4, Exhibit 1
 Salary increase: Inflation (2.50%) + “across-the-board” (0.50%) + merit and promotion (See Section 4, Exhibit 1)
 Additional cashouts: See Section 4, Exhibit 1

¹⁷³ Payable by members in Rate Group #9 and Rate Group #11.

Section 4: Actuarial Valuation Basis

General Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan B (OCTA) Normal	Plan B (OCTA) Total	Plan B (County and IHSS) Normal	Plan B (County and IHSS) Total	Plan J (2.7% @ 55 OCFA) Normal	Plan J (2.7% @ 55 OCFA) Total
16	5.04%	7.10%	5.04%	6.89%	6.99%	9.83%
17	5.13%	7.23%	5.13%	7.02%	7.12%	10.01%
18	5.23%	7.36%	5.23%	7.15%	7.25%	10.19%
19	5.33%	7.50%	5.33%	7.29%	7.39%	10.38%
20	5.42%	7.64%	5.42%	7.42%	7.52%	10.57%
21	5.52%	7.78%	5.52%	7.56%	7.66%	10.77%
22	5.63%	7.92%	5.63%	7.70%	7.80%	10.96%
23	5.73%	8.07%	5.73%	7.84%	7.95%	11.17%
24	5.83%	8.22%	5.83%	7.98%	8.09%	11.37%
25	5.94%	8.37%	5.94%	8.13%	8.24%	11.58%
26	6.05%	8.52%	6.05%	8.28%	8.39%	11.80%
27	6.16%	8.68%	6.16%	8.43%	8.55%	12.02%
28	6.28%	8.84%	6.28%	8.59%	8.71%	12.24%
29	6.39%	9.00%	6.39%	8.74%	8.87%	12.47%
30	6.51%	9.17%	6.51%	8.91%	9.04%	12.70%
31	6.63%	9.34%	6.63%	9.07%	9.21%	12.94%
32	6.75%	9.51%	6.75%	9.24%	9.38%	13.19%
33	6.88%	9.69%	6.88%	9.41%	9.56%	13.44%
34	7.01%	9.87%	7.01%	9.59%	9.74%	13.69%
35	7.14%	10.05%	7.14%	9.77%	9.92%	13.95%
36	7.27%	10.24%	7.27%	9.95%	10.10%	14.20%
37	7.41%	10.44%	7.41%	10.14%	10.28%	14.45%
38	7.55%	10.64%	7.55%	10.33%	10.46%	14.70%
39	7.70%	10.84%	7.70%	10.53%	10.64%	14.96%
40	7.84%	11.04%	7.84%	10.72%	10.83%	15.22%

Section 4: Actuarial Valuation Basis

Entry Age	Plan B (OCTA) Normal	Plan B (OCTA) Total	Plan B (County and IHSS) Normal	Plan B (County and IHSS) Total	Plan J (2.7% @ 55 OCFA) Normal	Plan J (2.7% @ 55 OCFA) Total
41	7.98%	11.24%	7.98%	10.91%	11.02%	15.48%
42	8.12%	11.44%	8.12%	11.11%	11.20%	15.74%
43	8.26%	11.64%	8.26%	11.30%	11.39%	16.00%
44	8.41%	11.84%	8.41%	11.50%	11.57%	16.25%
45	8.55%	12.05%	8.55%	11.70%	11.72%	16.47%
46	8.70%	12.25%	8.70%	11.90%	11.85%	16.65%
47	8.85%	12.46%	8.85%	12.10%	11.93%	16.77%
48	8.99%	12.67%	8.99%	12.30%	11.97%	16.83%
49	9.13%	12.87%	9.13%	12.50%	11.94%	16.78%
50	9.26%	13.04%	9.26%	12.66%	11.83%	16.63%
51	9.36%	13.18%	9.36%	12.80%	11.64%	16.36%
52	9.42%	13.27%	9.42%	12.89%	11.44%	16.08%
53	9.46%	13.32%	9.46%	12.94%	11.82%	16.61%
54	9.43%	13.29%	9.43%	12.90%	12.21%	17.17%
55	9.35%	13.16%	9.35%	12.79%	12.21%	17.17%
56	9.19%	12.95%	9.19%	12.58%	12.21%	17.17%
57	9.04%	12.73%	9.04%	12.36%	12.21%	17.17%
58	9.33%	13.15%	9.33%	12.77%	12.21%	17.17%
59	9.65%	13.59%	9.65%	13.20%	12.21%	17.17%
60 and over	9.65%	13.59%	9.65%	13.20%	12.21%	17.17%
<i>COLA loading</i>		40.85%		36.81%		40.53%

Interest: 7.00% per annum
 COLA: 2.75%
 Mortality: See Section 4, Exhibit 1
 Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)
 Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

General Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan P (1.62% @ 65) Normal	Plan P (1.62% @ 65) Total	Plan B (OCSD) Normal	Plan B (OCSD) Total	Plan N (OCFA) Normal	Plan N (OCFA) Total
16	5.04%	6.41%	5.04%	7.26%	5.04%	7.93%
17	5.13%	6.53%	5.13%	7.40%	5.13%	8.07%
18	5.23%	6.65%	5.23%	7.54%	5.23%	8.22%
19	5.33%	6.77%	5.33%	7.68%	5.33%	8.38%
20	5.42%	6.90%	5.42%	7.82%	5.42%	8.53%
21	5.52%	7.02%	5.52%	7.96%	5.52%	8.69%
22	5.63%	7.15%	5.63%	8.11%	5.63%	8.85%
23	5.73%	7.28%	5.73%	8.26%	5.73%	9.01%
24	5.83%	7.42%	5.83%	8.41%	5.83%	9.18%
25	5.94%	7.56%	5.94%	8.56%	5.94%	9.34%
26	6.05%	7.69%	6.05%	8.72%	6.05%	9.52%
27	6.16%	7.84%	6.16%	8.88%	6.16%	9.69%
28	6.28%	7.98%	6.28%	9.05%	6.28%	9.87%
29	6.39%	8.13%	6.39%	9.21%	6.39%	10.05%
30	6.51%	8.28%	6.51%	9.38%	6.51%	10.24%
31	6.63%	8.43%	6.63%	9.56%	6.63%	10.43%
32	6.75%	8.59%	6.75%	9.73%	6.75%	10.62%
33	6.88%	8.75%	6.88%	9.91%	6.88%	10.82%
34	7.01%	8.91%	7.01%	10.10%	7.01%	11.02%
35	7.14%	9.08%	7.14%	10.29%	7.14%	11.23%
36	7.27%	9.25%	7.27%	10.48%	7.27%	11.44%
37	7.41%	9.42%	7.41%	10.68%	7.41%	11.66%
38	7.55%	9.61%	7.55%	10.89%	7.55%	11.88%
39	7.70%	9.79%	7.70%	11.09%	7.70%	12.10%
40	7.84%	9.97%	7.84%	11.30%	7.84%	12.33%

Section 4: Actuarial Valuation Basis

Entry Age	Plan P (1.62% @ 65) Normal	Plan P (1.62% @ 65) Total	Plan B (OCSD) Normal	Plan B (OCSD) Total	Plan N (OCFA) Normal	Plan N (OCFA) Total
41	7.98%	10.15%	7.98%	11.50%	7.98%	12.55%
42	8.12%	10.32%	8.12%	11.70%	8.12%	12.77%
43	8.26%	10.51%	8.26%	11.91%	8.26%	12.99%
44	8.41%	10.69%	8.41%	12.12%	8.41%	13.22%
45	8.55%	10.88%	8.55%	12.33%	8.55%	13.45%
46	8.70%	11.06%	8.70%	12.54%	8.70%	13.68%
47	8.85%	11.25%	8.85%	12.75%	8.85%	13.91%
48	8.99%	11.43%	8.99%	12.96%	8.99%	14.14%
49	9.13%	11.62%	9.13%	13.17%	9.13%	14.37%
50	9.26%	11.77%	9.26%	13.34%	9.26%	14.56%
51	9.36%	11.90%	9.36%	13.49%	9.36%	14.72%
52	9.42%	11.98%	9.42%	13.58%	9.42%	14.82%
53	9.46%	12.02%	9.46%	13.63%	9.46%	14.87%
54	9.43%	11.99%	9.43%	13.60%	9.43%	14.83%
55	9.35%	11.88%	9.35%	13.47%	9.35%	14.70%
56	9.19%	11.69%	9.19%	13.25%	9.19%	14.46%
57	9.04%	11.49%	9.04%	13.03%	9.04%	14.21%
58	9.33%	11.87%	9.33%	13.45%	9.33%	14.68%
59	9.65%	12.27%	9.65%	13.91%	9.65%	15.17%
60 and over	9.65%	12.27%	9.65%	13.91%	9.65%	15.17%
<i>COLA loading</i>		27.16%		44.14%		57.28%

Interest: 7.00% per annum
 COLA: 2.75%
 Mortality: See Section 4, Exhibit 1
 Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)
 Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

General Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan S (City of SJC) Normal	Plan S (City of SJC) Total	Plan H (2.5% @ 55 (Law Library) Normal	Plan H (2.5% @ 55 (Law Library) Total
16	6.05%	8.92%	6.99%	9.57%
17	6.16%	9.09%	7.12%	9.75%
18	6.27%	9.25%	7.25%	9.93%
19	6.39%	9.43%	7.39%	10.11%
20	6.51%	9.60%	7.52%	10.29%
21	6.63%	9.78%	7.66%	10.48%
22	6.75%	9.96%	7.80%	10.68%
23	6.87%	10.14%	7.95%	10.87%
24	7.00%	10.33%	8.09%	11.07%
25	7.13%	10.52%	8.24%	11.28%
26	7.26%	10.71%	8.39%	11.49%
27	7.39%	10.91%	8.55%	11.70%
28	7.53%	11.11%	8.71%	11.92%
29	7.67%	11.31%	8.87%	12.14%
30	7.81%	11.52%	9.04%	12.37%
31	7.96%	11.73%	9.21%	12.60%
32	8.10%	11.95%	9.38%	12.84%
33	8.25%	12.17%	9.56%	13.09%
34	8.41%	12.40%	9.74%	13.33%
35	8.57%	12.63%	9.92%	13.58%
36	8.73%	12.87%	10.10%	13.82%
37	8.89%	13.12%	10.28%	14.07%
38	9.07%	13.37%	10.46%	14.32%
39	9.24%	13.62%	10.64%	14.57%
40	9.41%	13.87%	10.83%	14.82%

Section 4: Actuarial Valuation Basis

Entry Age	Plan S (City of SJC) Normal	Plan S (City of SJC) Total	Plan H (2.5% @ 55 (Law Library) Normal	Plan H (2.5% @ 55 (Law Library) Total
41	9.57%	14.12%	11.02%	15.07%
42	9.74%	14.37%	11.20%	15.33%
43	9.91%	14.62%	11.39%	15.58%
44	10.09%	14.88%	11.57%	15.83%
45	10.26%	15.14%	11.72%	16.04%
46	10.44%	15.40%	11.85%	16.21%
47	10.62%	15.66%	11.93%	16.33%
48	10.79%	15.92%	11.97%	16.38%
49	10.96%	16.17%	11.94%	16.34%
50	11.11%	16.38%	11.83%	16.19%
51	11.23%	16.56%	11.64%	15.93%
52	11.31%	16.68%	11.44%	15.66%
53	11.35%	16.74%	11.82%	16.17%
54	11.32%	16.69%	12.21%	16.71%
55	11.22%	16.54%	12.21%	16.71%
56	11.03%	16.27%	12.21%	16.71%
57	10.85%	16.00%	12.21%	16.71%
58	11.20%	16.52%	12.21%	16.71%
59	11.58%	17.08%	12.21%	16.71%
60 and over	11.58%	17.08%	12.21%	16.71%
<i>COLA loading</i>		<i>47.50%</i>		<i>36.84%</i>

Interest: 7.00% per annum
 COLA: 2.75%
 Mortality: See *Section 4, Exhibit 1*
 Salary increase: Inflation (2.50%) + “across-the-board” (0.50%) + merit and promotion (See *Section 4, Exhibit 1*)
 Additional cashouts: See *Section 4, Exhibit 1*

Section 4: Actuarial Valuation Basis

General CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹⁷⁴

Entry Age	Rate Group #1 (Plan U) Normal	Rate Group #1 (Plan U) Total	Rate Group #2 (Plan T) Normal	Rate Group #2 (Plan T) Total	Rate Group #2 (Plan U) Normal	Rate Group #2 (Plan U) Total
16	5.99%	8.08%	3.84%	5.15%	5.43%	7.37%
17	5.72%	7.73%	3.91%	5.25%	5.19%	7.04%
18	5.45%	7.36%	3.98%	5.34%	4.94%	6.71%
19	5.55%	7.50%	4.05%	5.44%	5.04%	6.83%
20	5.66%	7.64%	4.13%	5.54%	5.13%	6.96%
21	5.76%	7.78%	4.21%	5.65%	5.23%	7.09%
22	5.87%	7.93%	4.28%	5.75%	5.33%	7.22%
23	5.98%	8.07%	4.36%	5.86%	5.43%	7.36%
24	6.09%	8.22%	4.44%	5.97%	5.53%	7.49%
25	6.20%	8.38%	4.53%	6.08%	5.63%	7.63%
26	6.32%	8.53%	4.61%	6.19%	5.73%	7.78%
27	6.44%	8.69%	4.69%	6.30%	5.84%	7.92%
28	6.55%	8.85%	4.78%	6.42%	5.95%	8.07%
29	6.68%	9.02%	4.87%	6.54%	6.06%	8.22%
30	6.80%	9.18%	4.96%	6.66%	6.17%	8.37%
31	6.92%	9.35%	5.05%	6.78%	6.28%	8.52%
32	7.05%	9.52%	5.15%	6.91%	6.40%	8.68%
33	7.18%	9.70%	5.24%	7.04%	6.52%	8.84%
34	7.32%	9.88%	5.34%	7.17%	6.64%	9.00%
35	7.45%	10.06%	5.44%	7.31%	6.76%	9.17%
36	7.59%	10.25%	5.55%	7.45%	6.89%	9.34%
37	7.73%	10.44%	5.65%	7.59%	7.01%	9.51%
38	7.87%	10.63%	5.76%	7.74%	7.15%	9.69%
39	8.02%	10.83%	5.87%	7.89%	7.28%	9.87%
40	8.17%	11.04%	5.98%	8.03%	7.42%	10.06%

¹⁷⁴ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.5% at 67 formula and the Plan W 1.62% at 65 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 130 (\$7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (\$7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #1 (Plan U) Normal	Rate Group #1 (Plan U) Total	Rate Group #2 (Plan T) Normal	Rate Group #2 (Plan T) Total	Rate Group #2 (Plan U) Normal	Rate Group #2 (Plan U) Total
41	8.33%	11.24%	6.09%	8.18%	7.56%	10.25%
42	8.48%	11.46%	6.20%	8.33%	7.70%	10.44%
43	8.65%	11.67%	6.31%	8.48%	7.85%	10.64%
44	8.81%	11.90%	6.43%	8.63%	8.00%	10.84%
45	8.98%	12.13%	6.54%	8.78%	8.15%	11.05%
46	9.15%	12.36%	6.66%	8.94%	8.31%	11.27%
47	9.33%	12.59%	6.78%	9.10%	8.46%	11.48%
48	9.49%	12.82%	6.89%	9.25%	8.62%	11.68%
49	9.67%	13.05%	7.01%	9.41%	8.77%	11.90%
50	9.84%	13.29%	7.11%	9.54%	8.93%	12.11%
51	10.02%	13.52%	7.19%	9.66%	9.09%	12.33%
52	10.19%	13.77%	7.25%	9.74%	9.25%	12.55%
53	10.38%	14.01%	7.29%	9.79%	9.42%	12.77%
54	10.56%	14.26%	7.29%	9.79%	9.58%	12.99%
55	10.74%	14.50%	7.25%	9.73%	9.74%	13.22%
56	10.92%	14.74%	7.16%	9.61%	9.91%	13.43%
57	11.07%	14.95%	7.09%	9.52%	10.05%	13.63%
58	11.21%	15.14%	7.32%	9.83%	10.17%	13.79%
59	11.31%	15.27%	7.57%	10.16%	10.26%	13.91%
60	11.36%	15.34%	7.57%	10.16%	10.31%	13.98%
61	11.36%	15.34%	7.57%	10.16%	10.31%	13.98%
62	11.29%	15.25%	7.57%	10.16%	10.25%	13.90%
63	11.16%	15.07%	7.57%	10.16%	10.12%	13.73%
64	11.05%	14.92%	7.57%	10.16%	10.03%	13.60%
65	11.41%	15.41%	7.57%	10.16%	10.36%	14.04%
66 and over	11.80%	15.93%	7.57%	10.16%	10.70%	14.52%
<i>COLA loading</i>		35.04%		34.25%		35.62%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Section 4: Actuarial Valuation Basis

General CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹⁷⁵

Entry Age	Rate Group #2 (Plan W) Normal	Rate Group #2 (Plan W) Total	Rate Group #3 (Plan U) Normal	Rate Group #3 (Plan U) Total	Rate Group #5 (Plan U) Normal	Rate Group #5 (Plan U) Total
16	4.12%	5.20%	5.62%	7.63%	6.43%	8.76%
17	4.20%	5.29%	5.38%	7.30%	6.15%	8.38%
18	4.28%	5.39%	5.12%	6.95%	5.86%	7.97%
19	4.36%	5.49%	5.22%	7.08%	5.97%	8.12%
20	4.44%	5.59%	5.31%	7.21%	6.08%	8.28%
21	4.52%	5.70%	5.41%	7.35%	6.19%	8.43%
22	4.60%	5.80%	5.51%	7.48%	6.31%	8.59%
23	4.69%	5.91%	5.62%	7.62%	6.43%	8.75%
24	4.78%	6.02%	5.72%	7.76%	6.55%	8.91%
25	4.86%	6.13%	5.83%	7.91%	6.67%	9.08%
26	4.95%	6.24%	5.94%	8.05%	6.79%	9.25%
27	5.05%	6.36%	6.05%	8.20%	6.92%	9.42%
28	5.14%	6.48%	6.16%	8.36%	7.05%	9.59%
29	5.23%	6.60%	6.27%	8.51%	7.18%	9.77%
30	5.33%	6.72%	6.39%	8.67%	7.31%	9.95%
31	5.43%	6.84%	6.51%	8.83%	7.44%	10.13%
32	5.53%	6.97%	6.63%	8.99%	7.58%	10.32%
33	5.64%	7.10%	6.75%	9.16%	7.72%	10.51%
34	5.74%	7.24%	6.87%	9.33%	7.86%	10.71%
35	5.85%	7.37%	7.00%	9.50%	8.01%	10.90%
36	5.96%	7.51%	7.13%	9.68%	8.16%	11.11%
37	6.08%	7.66%	7.26%	9.85%	8.31%	11.31%
38	6.20%	7.81%	7.40%	10.04%	8.46%	11.52%
39	6.31%	7.96%	7.54%	10.23%	8.62%	11.74%
40	6.43%	8.11%	7.68%	10.42%	8.78%	11.96%

¹⁷⁵ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.5% at 67 formula and the Plan W 1.62% at 65 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 130 (\$7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (\$7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #2 (Plan W) Normal	Rate Group #2 (Plan W) Total	Rate Group #3 (Plan U) Normal	Rate Group #3 (Plan U) Total	Rate Group #5 (Plan U) Normal	Rate Group #5 (Plan U) Total
41	6.55%	8.25%	7.82%	10.61%	8.95%	12.18%
42	6.67%	8.40%	7.97%	10.81%	9.12%	12.42%
43	6.79%	8.55%	8.12%	11.02%	9.29%	12.65%
44	6.91%	8.70%	8.28%	11.23%	9.47%	12.90%
45	7.03%	8.86%	8.44%	11.45%	9.66%	13.15%
46	7.16%	9.02%	8.60%	11.67%	9.84%	13.40%
47	7.28%	9.18%	8.76%	11.89%	10.02%	13.65%
48	7.41%	9.33%	8.92%	12.10%	10.21%	13.90%
49	7.53%	9.49%	9.08%	12.32%	10.39%	14.15%
50	7.64%	9.63%	9.25%	12.54%	10.58%	14.40%
51	7.73%	9.74%	9.41%	12.77%	10.76%	14.66%
52	7.80%	9.83%	9.58%	13.00%	10.96%	14.92%
53	7.84%	9.88%	9.75%	13.23%	11.15%	15.18%
54	7.84%	9.87%	9.92%	13.46%	11.35%	15.45%
55	7.79%	9.81%	10.09%	13.69%	11.54%	15.72%
56	7.69%	9.70%	10.26%	13.92%	11.73%	15.98%
57	7.62%	9.61%	10.41%	14.12%	11.90%	16.21%
58	7.87%	9.92%	10.53%	14.29%	12.05%	16.40%
59	8.14%	10.25%	10.62%	14.41%	12.15%	16.54%
60	8.14%	10.25%	10.68%	14.49%	12.21%	16.63%
61	8.14%	10.25%	10.67%	14.48%	12.21%	16.63%
62	8.14%	10.25%	10.61%	14.39%	12.14%	16.52%
63	8.14%	10.25%	10.48%	14.22%	11.99%	16.33%
64	8.14%	10.25%	10.38%	14.09%	11.88%	16.17%
65	8.14%	10.25%	10.72%	14.55%	12.27%	16.70%
66 and over	8.14%	10.25%	11.08%	15.04%	12.68%	17.26%
<i>COLA loading</i>		26.03%		35.67%		36.15%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Section 4: Actuarial Valuation Basis

General CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹⁷⁶

Entry Age	Rate Group #9 (Plan U) Normal	Rate Group #9 (Plan U) Total	Rate Group #10 (Plan U) Normal	Rate Group #10 (Plan U) Total	Rate Group #11 (Plan U) Normal	Rate Group #11 (Plan U) Total
16	5.76%	7.74%	5.80%	7.87%	6.22%	8.36%
17	5.50%	7.40%	5.55%	7.52%	5.94%	7.99%
18	5.24%	7.05%	5.28%	7.16%	5.66%	7.61%
19	5.34%	7.18%	5.38%	7.30%	5.76%	7.75%
20	5.44%	7.31%	5.48%	7.43%	5.87%	7.90%
21	5.54%	7.45%	5.58%	7.57%	5.98%	8.05%
22	5.64%	7.59%	5.69%	7.72%	6.09%	8.20%
23	5.75%	7.73%	5.80%	7.86%	6.21%	8.35%
24	5.86%	7.88%	5.90%	8.01%	6.32%	8.51%
25	5.96%	8.02%	6.01%	8.15%	6.44%	8.66%
26	6.07%	8.17%	6.12%	8.31%	6.56%	8.83%
27	6.19%	8.32%	6.24%	8.46%	6.68%	8.99%
28	6.30%	8.48%	6.35%	8.62%	6.81%	9.16%
29	6.42%	8.63%	6.47%	8.78%	6.93%	9.32%
30	6.54%	8.79%	6.59%	8.94%	7.06%	9.50%
31	6.66%	8.96%	6.71%	9.10%	7.19%	9.67%
32	6.78%	9.12%	6.84%	9.27%	7.32%	9.85%
33	6.91%	9.29%	6.96%	9.44%	7.46%	10.03%
34	7.03%	9.46%	7.09%	9.62%	7.60%	10.22%
35	7.16%	9.64%	7.22%	9.80%	7.74%	10.41%
36	7.30%	9.81%	7.36%	9.98%	7.88%	10.60%
37	7.43%	10.00%	7.49%	10.16%	8.03%	10.80%
38	7.57%	10.18%	7.63%	10.35%	8.18%	11.00%
39	7.71%	10.37%	7.78%	10.54%	8.33%	11.20%
40	7.86%	10.57%	7.92%	10.74%	8.48%	11.41%

¹⁷⁶ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.5% at 67 formula and the Plan W 1.62% at 65 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 130 (\$7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (\$7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #9 (Plan U) Normal	Rate Group #9 (Plan U) Total	Rate Group #10 (Plan U) Normal	Rate Group #10 (Plan U) Total	Rate Group #11 (Plan U) Normal	Rate Group #11 (Plan U) Total
41	8.00%	10.77%	8.07%	10.94%	8.64%	11.63%
42	8.16%	10.97%	8.22%	11.15%	8.81%	11.85%
43	8.31%	11.18%	8.38%	11.36%	8.98%	12.08%
44	8.47%	11.40%	8.54%	11.58%	9.15%	12.31%
45	8.64%	11.62%	8.71%	11.81%	9.33%	12.55%
46	8.80%	11.84%	8.87%	12.03%	9.50%	12.79%
47	8.97%	12.06%	9.04%	12.26%	9.68%	13.03%
48	9.13%	12.28%	9.20%	12.48%	9.86%	13.26%
49	9.29%	12.50%	9.37%	12.71%	10.04%	13.50%
50	9.46%	12.72%	9.54%	12.93%	10.22%	13.74%
51	9.63%	12.95%	9.71%	13.17%	10.40%	13.99%
52	9.80%	13.18%	9.88%	13.40%	10.58%	14.24%
53	9.98%	13.42%	10.06%	13.64%	10.77%	14.49%
54	10.15%	13.65%	10.23%	13.88%	10.96%	14.75%
55	10.32%	13.89%	10.41%	14.12%	11.15%	15.00%
56	10.50%	14.12%	10.58%	14.35%	11.33%	15.25%
57	10.65%	14.32%	10.73%	14.56%	11.50%	15.47%
58	10.78%	14.50%	10.86%	14.73%	11.64%	15.66%
59	10.87%	14.62%	10.96%	14.86%	11.74%	15.79%
60	10.92%	14.69%	11.01%	14.94%	11.80%	15.87%
61	10.92%	14.69%	11.01%	14.93%	11.80%	15.87%
62	10.86%	14.60%	10.95%	14.84%	11.72%	15.77%
63	10.73%	14.43%	10.81%	14.67%	11.58%	15.58%
64	10.63%	14.29%	10.71%	14.53%	11.47%	15.44%
65	10.97%	14.76%	11.06%	15.00%	11.85%	15.94%
66 and over	11.34%	15.26%	11.44%	15.51%	12.25%	16.48%
<i>COLA loading</i>		34.51%		35.62%		34.53%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Section 4: Actuarial Valuation Basis

General CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹⁷⁷

Entry Age	Rate Group #12 (Plan U) Normal	Rate Group #12 (Plan U) Total
16	5.85%	7.82%
17	5.60%	7.47%
18	5.33%	7.12%
19	5.43%	7.25%
20	5.53%	7.39%
21	5.63%	7.53%
22	5.74%	7.67%
23	5.85%	7.81%
24	5.95%	7.95%
25	6.07%	8.10%
26	6.18%	8.25%
27	6.29%	8.41%
28	6.41%	8.56%
29	6.53%	8.72%
30	6.65%	8.88%
31	6.77%	9.04%
32	6.90%	9.21%
33	7.02%	9.38%
34	7.15%	9.56%
35	7.29%	9.73%
36	7.42%	9.91%
37	7.56%	10.10%
38	7.70%	10.28%
39	7.84%	10.48%
40	7.99%	10.67%

¹⁷⁷ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.5% at 67 formula and the Plan W 1.62% at 65 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 130 (§7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (§7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #12 (Plan U) Normal	Rate Group #12 (Plan U) Total
41	8.14%	10.87%
42	8.29%	11.08%
43	8.45%	11.29%
44	8.62%	11.51%
45	8.78%	11.73%
46	8.95%	11.96%
47	9.12%	12.18%
48	9.28%	12.40%
49	9.45%	12.62%
50	9.62%	12.85%
51	9.79%	13.08%
52	9.97%	13.32%
53	10.15%	13.55%
54	10.32%	13.79%
55	10.50%	14.03%
56	10.67%	14.26%
57	10.83%	14.46%
58	10.96%	14.64%
59	11.05%	14.77%
60	11.11%	14.84%
61	11.11%	14.84%
62	11.04%	14.75%
63	10.91%	14.57%
64	10.81%	14.43%
65	11.16%	14.91%
66 and over	11.53%	15.41%
<i>COLA loading</i>		33.58%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Section 4: Actuarial Valuation Basis

Safety Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan F (OCFA) Normal	Plan F (OCFA) Total	Plan F (Law Enforcement) Normal	Plan F (Law Enforcement) Total	Plan F (Probation) Normal	Plan F (Probation) Total
16	8.77%	13.74%	9.18%	14.71%	8.93%	13.74%
17	8.90%	13.95%	9.31%	14.93%	9.06%	13.95%
18	9.03%	14.16%	9.45%	15.15%	9.20%	14.16%
19	9.17%	14.37%	9.59%	15.38%	9.34%	14.37%
20	9.31%	14.59%	9.74%	15.61%	9.48%	14.59%
21	9.45%	14.82%	9.88%	15.84%	9.62%	14.81%
22	9.60%	15.04%	10.03%	16.08%	9.77%	15.04%
23	9.74%	15.28%	10.19%	16.33%	9.92%	15.27%
24	9.90%	15.52%	10.34%	16.58%	10.07%	15.50%
25	10.05%	15.76%	10.50%	16.84%	10.23%	15.75%
26	10.21%	16.01%	10.67%	17.10%	10.39%	16.00%
27	10.38%	16.27%	10.84%	17.37%	10.56%	16.26%
28	10.55%	16.54%	11.01%	17.65%	10.73%	16.52%
29	10.73%	16.82%	11.19%	17.94%	10.91%	16.79%
30	10.90%	17.09%	11.37%	18.23%	11.09%	17.07%
31	11.09%	17.38%	11.56%	18.52%	11.27%	17.35%
32	11.28%	17.68%	11.75%	18.83%	11.46%	17.64%
33	11.47%	17.98%	11.94%	19.14%	11.65%	17.94%
34	11.66%	18.28%	12.13%	19.45%	11.85%	18.24%
35	11.86%	18.59%	12.33%	19.76%	12.04%	18.54%
36	12.07%	18.92%	12.54%	20.09%	12.25%	18.86%
37	12.29%	19.27%	12.75%	20.44%	12.47%	19.20%
38	12.50%	19.60%	12.96%	20.77%	12.68%	19.52%
39	12.69%	19.90%	13.14%	21.06%	12.87%	19.81%
40	12.85%	20.14%	13.27%	21.28%	13.02%	20.03%

Section 4: Actuarial Valuation Basis

Entry Age	Plan F (OCFA) Normal	Plan F (OCFA) Total	Plan F (Law Enforcement) Normal	Plan F (Law Enforcement) Total	Plan F (Probation) Normal	Plan F (Probation) Total
41	12.94%	20.29%	13.35%	21.40%	13.10%	20.17%
42	12.97%	20.33%	13.35%	21.39%	13.12%	20.19%
43	12.92%	20.25%	13.26%	21.25%	13.05%	20.09%
44	12.80%	20.06%	13.08%	20.97%	12.91%	19.87%
45	12.60%	19.75%	12.82%	20.55%	12.69%	19.53%
46	12.32%	19.31%	12.45%	19.96%	12.37%	19.04%
47	11.93%	18.70%	11.93%	19.12%	11.93%	18.36%
48	12.31%	19.29%	12.31%	19.72%	12.31%	18.94%
49	12.71%	19.92%	12.71%	20.36%	12.71%	19.56%
50 and over	12.71%	19.92%	12.71%	20.36%	12.71%	19.56%
<i>COLA loading</i>		<i>56.77%</i>		<i>60.27%</i>		<i>53.93%</i>

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

Safety Tier 2 Members' Contribution Rates (as a % of Monthly Payroll)

Entry Age	Plan R (OCFA) Normal	Plan R (OCFA) Total	Plan R (Law Enforcement) Normal	Plan R (Law Enforcement) Total
16	8.77%	14.10%	9.18%	14.19%
17	8.90%	14.31%	9.31%	14.40%
18	9.03%	14.53%	9.45%	14.62%
19	9.17%	14.75%	9.59%	14.83%
20	9.31%	14.97%	9.74%	15.06%
21	9.45%	15.20%	9.88%	15.28%
22	9.60%	15.43%	10.03%	15.51%
23	9.74%	15.67%	10.19%	15.75%
24	9.90%	15.92%	10.34%	15.99%
25	10.05%	16.17%	10.50%	16.24%
26	10.21%	16.43%	10.67%	16.50%
27	10.38%	16.69%	10.84%	16.76%
28	10.55%	16.97%	11.01%	17.03%
29	10.73%	17.25%	11.19%	17.31%
30	10.90%	17.54%	11.37%	17.58%
31	11.09%	17.83%	11.56%	17.87%
32	11.28%	18.13%	11.75%	18.17%
33	11.47%	18.44%	11.94%	18.46%
34	11.66%	18.75%	12.13%	18.76%
35	11.86%	19.07%	12.33%	19.06%
36	12.07%	19.41%	12.54%	19.38%
37	12.29%	19.77%	12.75%	19.72%
38	12.50%	20.10%	12.96%	20.03%
39	12.69%	20.41%	13.14%	20.31%
40	12.85%	20.66%	13.27%	20.53%

Section 4: Actuarial Valuation Basis

Entry Age	Plan R (OCFA) Normal	Plan R (OCFA) Total	Plan R (Law Enforcement) Normal	Plan R (Law Enforcement) Total
41	12.94%	20.81%	13.35%	20.64%
42	12.97%	20.86%	13.35%	20.64%
43	12.92%	20.77%	13.26%	20.50%
44	12.80%	20.58%	13.08%	20.23%
45	12.60%	20.26%	12.82%	19.82%
46	12.32%	19.81%	12.45%	19.25%
47	11.93%	19.18%	11.93%	18.44%
48	12.31%	19.79%	12.31%	19.03%
49	12.71%	20.43%	12.71%	19.65%
50 and over	12.71%	20.43%	12.71%	19.65%
<i>COLA loading</i>		60.82%		54.62%

Interest: 7.00% per annum
 COLA: 2.75%
 Mortality: See Section 4, Exhibit 1
 Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)
 Additional cashouts: See Section 4, Exhibit 1

Section 4: Actuarial Valuation Basis

Safety CalPEPRA Members' Contribution Rates (as a % of Monthly Payroll)¹⁷⁸

Entry Age	Rate Group #6 (Plan V) Normal	Rate Group #6 (Plan V) Total	Rate Group #7 (Plan V) Normal	Rate Group #7 (Plan V) Total	Rate Group #8 (Plan V) Normal	Rate Group #8 (Plan V) Total
16	9.43%	13.26%	9.53%	13.60%	9.04%	12.92%
17	9.57%	13.45%	9.67%	13.80%	9.17%	13.12%
18	9.71%	13.65%	9.81%	14.01%	9.31%	13.31%
19	9.86%	13.86%	9.96%	14.22%	9.45%	13.51%
20	10.00%	14.06%	10.11%	14.43%	9.59%	13.71%
21	10.15%	14.27%	10.26%	14.64%	9.73%	13.91%
22	10.30%	14.49%	10.41%	14.86%	9.87%	14.12%
23	10.46%	14.70%	10.57%	15.08%	10.02%	14.33%
24	10.61%	14.92%	10.73%	15.31%	10.17%	14.55%
25	10.77%	15.15%	10.89%	15.54%	10.33%	14.77%
26	10.94%	15.38%	11.05%	15.78%	10.48%	14.99%
27	11.10%	15.61%	11.22%	16.02%	10.64%	15.22%
28	11.27%	15.85%	11.39%	16.26%	10.80%	15.45%
29	11.45%	16.10%	11.57%	16.51%	10.97%	15.69%
30	11.63%	16.35%	11.75%	16.77%	11.14%	15.93%
31	11.81%	16.60%	11.93%	17.03%	11.32%	16.19%
32	12.00%	16.87%	12.12%	17.31%	11.50%	16.44%
33	12.19%	17.14%	12.32%	17.58%	11.68%	16.71%
34	12.39%	17.42%	12.52%	17.87%	11.87%	16.98%
35	12.60%	17.71%	12.73%	18.17%	12.07%	17.26%
36	12.80%	18.00%	12.94%	18.47%	12.27%	17.55%
37	13.02%	18.30%	13.16%	18.78%	12.48%	17.84%
38	13.24%	18.61%	13.38%	19.09%	12.69%	18.14%
39	13.47%	18.93%	13.61%	19.43%	12.91%	18.46%
40	13.70%	19.26%	13.84%	19.76%	13.13%	18.77%

¹⁷⁸ It is our understanding that in the determination of pension benefits under the CalPEPRA 2.7% at 57 formula, the maximum compensation that can be taken into account should be limited by the compensation limit as noted in *Section 4, Exhibit 2*, page 130 (§7522.10). These amounts should be adjusted for changes to the Consumer Price Index for All Urban Consumers for future years (§7522.10(d)).

Section 4: Actuarial Valuation Basis

Entry Age	Rate Group #6 (Plan V) Normal	Rate Group #6 (Plan V) Total	Rate Group #7 (Plan V) Normal	Rate Group #7 (Plan V) Total	Rate Group #8 (Plan V) Normal	Rate Group #8 (Plan V) Total
41	13.93%	19.59%	14.08%	20.10%	13.35%	19.09%
42	14.17%	19.92%	14.32%	20.44%	13.58%	19.42%
43	14.43%	20.28%	14.58%	20.81%	13.82%	19.77%
44	14.70%	20.66%	14.85%	21.20%	14.08%	20.14%
45	14.95%	21.02%	15.11%	21.57%	14.33%	20.49%
46	15.19%	21.35%	15.35%	21.91%	14.56%	20.82%
47	15.38%	21.62%	15.54%	22.18%	14.74%	21.08%
48	15.51%	21.80%	15.67%	22.37%	14.86%	21.25%
49	15.55%	21.86%	15.71%	22.43%	14.90%	21.31%
50	15.50%	21.79%	15.66%	22.36%	14.85%	21.24%
51	15.37%	21.61%	15.53%	22.17%	14.73%	21.06%
52	15.15%	21.30%	15.31%	21.86%	14.52%	20.77%
53	14.85%	20.88%	15.00%	21.42%	14.23%	20.35%
54	14.42%	20.28%	14.58%	20.81%	13.82%	19.77%
55	14.88%	20.92%	15.04%	21.47%	14.26%	20.40%
56 and over	15.37%	21.61%	15.53%	22.17%	14.73%	21.06%
<i>COLA loading</i>		40.60%		42.74%		43.01%

Interest: 7.00% per annum

COLA: 2.75%

Mortality: See Section 4, Exhibit 1

Salary increase: Inflation (2.50%) + "across-the-board" (0.50%) + merit and promotion (See Section 4, Exhibit 1)

Section 4: Actuarial Valuation Basis

Exhibit 4: Funded percentages by rate group

The funded percentages on a valuation value of assets basis by rate group provided for informational purposes only are as follows:

Funded Percentages as of December 31

Rate Group	2025	2024
General		
• Rate Group #1 – Plans A, B and U (County and IHSS) ¹⁷⁹	96.40%	93.43%
• Rate Group #2 – Plans I, J, O, P, S, T, U and W (County et al.)	82.47%	79.75%
• Rate Group #3 – Plans B, G, H and U (OCSD)	102.76%	101.21%
• Rate Group #5 – Plans A, B and U (OCTA)	89.53%	85.94%
• Rate Group #9 – Plans M, N and U (TCA)	105.07%	105.34%
• Rate Group #10 – Plans I, J, M, N and U (OCFA)	96.88%	94.66%
• Rate Group #11 – Plans M and N, future service, and U (Cemetery)	99.22%	97.73%
• Rate Group #12 – Plans G, H, future service, and U (Law Library)	124.11%	121.60%
Safety		
• Rate Group #6 – Plans E, F and V (Probation)	87.75%	84.97%
• Rate Group #7 – Plans E, F, Q, R and V (Law Enforcement)	86.34%	83.16%
• Rate Group #8 – Plans E, F, Q, R and V (OCFA)	99.27%	97.80%

¹⁷⁹ Includes payees from Vector Control, Cypress Recreation and Parks, U.C.I. and DOE.

Section 4: Actuarial Valuation Basis

Exhibit 5: Reconciliation of employer contribution rates by rate group

The reconciliation of the employer contribution rates for the General Rate Groups #1 to #5 are as follows:

Item	RG #1	RG #2	RG #3	RG #5
1. Average recommended employer contribution as of December 31, 2024	13.46%	36.76%	11.33%	28.99%
2. Changes due to:				
a. Effect of investment gain (after smoothing)	(0.52%)	(1.12%)	(1.42%)	(1.05%)
b. Effect of additional UAAL contributions	0.00%	0.00%	0.00%	0.00%
c. Effect of difference in actual versus expected contributions	0.18%	0.08%	0.02%	0.14%
d. Effect of higher than expected COLA increases in 2026 ¹⁸⁰	0.00%	0.02%	0.02%	0.01%
e. Effect of difference in actual versus expected salary increases	(0.01%)	0.53%	0.19%	(0.28%)
f. Effect of growth in total payroll (more)/less than expected	0.16%	0.17%	0.00%	0.04%
g. Effect of the employer picking up the COLA normal cost contributions for members with over 30 years of service	0.00%	0.00%	0.00%	0.00%
h. Effect of other experience (gains)/losses ^{181,182}	(0.15%)	(0.13%)	1.16%	(0.59%)
i. Subtotal	(0.34%)	(0.45%)	(0.03%)	(1.73%)
3. Average recommended employer contribution as of December 31, 2025: 1 + 2i	13.12%	36.31%	11.30%	27.26%

¹⁸⁰ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.00%, 3.00% COLA expected to be paid April 1st 2026 for members without COLA Banks as of April 1, 2026).

¹⁸¹ Includes the change in the adjustment to reflect 18-month delay between date of valuation and date of rate implementation.

¹⁸² Includes the effect of adjusting the rate to equal the normal cost for Rate Group #3 that is fully funded as of December 31, 2025.

Section 4: Actuarial Valuation Basis

The reconciliation of the employer contribution rates for the General Rate Groups #9 to #12 are as follows:

Item	RG #9	RG #10	RG #11	RG #12
1. Average recommended employer contribution as of December 31, 2024	13.11%	22.03%	14.12%	13.23%
2. Changes due to:				
a. Effect of investment gain (after smoothing)	(1.08%)	(1.13%)	(0.91%)	(1.69%)
b. Effect of additional UAAL contributions	0.00%	0.00%	0.00%	0.00%
c. Effect of difference in actual versus expected contributions	0.00%	(0.05%)	(0.12%)	(0.01%)
d. COLA increases greater than expected in 2026 ¹⁸³	0.01%	0.02%	0.01%	0.01%
e. Effect of difference in actual versus expected salary increases	(0.14%)	(0.07%)	0.19%	0.59%
f. Effect of growth in total payroll (more)/less than expected	0.00%	(0.18%)	(0.18%)	0.00%
g. Effect of the employer picking up the COLA normal cost contributions for members with over 30 years of service	0.00%	0.00%	0.00%	0.00%
h. Effect of other experience (gain)/loss ^{184,185}	1.58%	0.38%	(0.31%)	0.94%
i. Subtotal	0.37%	(1.03%)	(1.32%)	(0.16%)
3. Average recommended employer contribution as of December 31, 2025: 1 + 2i	13.48%	21.00%	12.80%	13.07%

¹⁸³ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.00%, 3.00% COLA expected to be paid April 1st 2026 for members without COLA Banks as of April 1, 2026).

¹⁸⁴ Includes the change in the adjustment to reflect 18-month delay between date of valuation and date of rate implementation.

¹⁸⁵ Includes the effect of adjusting the rate to equal the normal cost for Rate Groups #9 and #12 that are fully funded as of December 31, 2025.

Section 4: Actuarial Valuation Basis

The reconciliation of the employer contribution rates for the Safety Rate Groups are as follows:

Item	RG #6	RG #7	RG #8
1. Average recommended employer contribution as of December 31, 2024	60.14%	54.20%	31.58%
2. Changes due to:			
a. Effect of investment gain (after smoothing)	(2.14%)	(1.69%)	(1.64%)
b. Effect of additional UAAL contributions	0.00%	0.00%	(0.66%)
c. Effect of difference in actual versus expected contributions	0.14%	(0.29%)	(0.32%)
d. COLA increases greater than expected in 2026 ¹⁸⁶	0.03%	0.03%	0.02%
e. Effect of difference in actual versus expected salary increases ¹⁸⁷	0.82%	0.54%	1.74%
f. Effect of growth in total payroll (more)/less than expected	(1.18%)	(1.02%)	(0.86%)
g. Effect of the employer picking up the COLA normal cost contributions for members with over 30 years of service	0.29%	0.05%	0.07%
h. Effect of other experience (gain)/loss ¹⁸⁸	(0.59%)	(0.30%)	(0.03%)
i. Subtotal	(2.63%)	(2.68%)	(1.68%)
3. Average recommended employer contribution as of December 31, 2025: 1 + 2i	57.51%	51.52%	29.90%

¹⁸⁶ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.00%, 3.00% COLA expected to be paid April 1st 2026 for members without COLA Banks as of April 1, 2026).

¹⁸⁷ The average individual salary increase for continuing actives in RG #8 was 12.6%.

¹⁸⁸ Includes the change in the adjustment to reflect 18-month delay between date of valuation and date of rate implementation. This change is -0.38% of payroll for RG #6.

Section 4: Actuarial Valuation Basis

Exhibit 6: Reconciliation of UAAL by rate group

The reconciliation of UAAL for the General Rate Groups #1 to #5 are as follows (\$ in '000s):

Line Description	RG #1	RG #2	RG #3	RG #5
1. Unfunded actuarial accrued liability at beginning of year	\$38,903	\$3,166,142	\$(11,980)	\$178,085
2. Normal cost at middle of year	24,608	309,799	19,971	31,910
3. Expected employer and member contributions	(28,209)	(693,780)	(19,971)	(54,909)
4. Interest to end of year	2,626	208,269	(839)	11,550
5. Expected unfunded actuarial accrued liability at end of year	\$37,928	\$2,990,430	\$(12,819)	\$166,636
6. Changes due to:				
a. Investment return greater than expected, after asset smoothing	\$(10,313)	\$(233,518)	\$(18,526)	\$(20,333)
b. Actual contributions (more)/less than expected under funding policy	2,910	17,627	218	2,760
c. Additional UAAL contributions from OCFA, and scheduled payments ¹⁸⁹ from DOE and U.C.I.	(3,380)	0	0	0
d. Individual salary increases (less)/greater than expected	(122)	110,902	2,491	(5,418)
e. COLA increases greater than expected in 2026 ¹⁹⁰	76	3,245	197	267
f. Other net experience (gain)/loss	(4,884)	(23,424)	(7)	(6,812)
g. Total changes	\$(15,713)	\$(125,168)	\$(15,627)	\$(29,536)
7. Unfunded actuarial accrued liability at end of year: 5 + 6g	\$22,215	\$2,865,262	\$(28,446)	\$137,100

¹⁸⁹ Segal provided separate letters for DOE and U.C.I. with regard to their required UAAL contributions based on the Board's Declining Employer Payroll policy. These contributions have not been reflected in the contribution rates developed in this valuation. Segal also provided separate letters for O.C. Vector Control and Cypress Recreation and Parks with regard to their updated withdrawal liabilities based on the Board's Withdrawing Employer Policy, although no contributions were made by O.C. Vector Control and CRPD during the past calendar year. O.C. Vector Control and CRPD had no withdrawal liability as of December 31, 2024.

¹⁹⁰ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.00%, 3.00% COLA expected to be paid April 1st 2026 for members without COLA Banks as of April 1, 2026).

Section 4: Actuarial Valuation Basis

The reconciliation of UAAL for the General Rate Groups #9 to #12 are as follows (\$ in '000s):

Line Description	RG #9	RG #10	RG #11	RG #12
1. Unfunded actuarial accrued liability at beginning of year	\$(3,614)	\$18,866	\$378	\$(2,751)
2. Normal cost at middle of year	2,056	8,738	486	322
3. Expected employer and member contributions	(2,056)	(12,590)	(523)	(322)
4. Interest to end of year	(253)	1,178	25	(193)
5. Expected unfunded actuarial accrued liability at end of year	\$(3,867)	\$16,192	\$366	\$(2,944)
6. Changes due to:				
a. Investment return greater than expected, after asset smoothing	\$(1,331)	\$(6,251)	\$(306)	\$(290)
b. Actual contributions (more)/less than expected under funding policy	(5)	(282)	(39)	(2)
c. Additional UAAL contributions from OCFA, and scheduled payments from DOE and U.C.I.	0	0	0	0
d. Individual salary increases (less)/greater than expected	(172)	(409)	63	102
e. COLA increases greater than expected in 2026 ¹⁹¹	16	88	3	1
f. Other net experience (gain)/loss	1,669	2,241	52	(110)
g. Total changes	\$177	\$(4,613)	\$(227)	\$(299)
7. Unfunded actuarial accrued liability at end of year: 5 + 6g	\$(3,690)	\$11,579	\$139	\$(3,243)

¹⁹¹ Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.00%, 3.00% COLA expected to be paid April 1st 2026 for members without COLA Banks as of April 1, 2026).

Section 4: Actuarial Valuation Basis

The reconciliation of UAAL for the Safety Rate Groups are as follows (\$ in '000s):

Line Description	RG #6	RG #7	RG #8
1. Unfunded actuarial accrued liability at beginning of year	\$183,068	\$948,174	\$54,365
2. Normal cost at middle of year	23,568	136,374	67,313
3. Expected employer and member contributions	(47,237)	(255,658)	(86,428)
4. Interest to end of year	12,146	61,226	2,788
5. Expected unfunded actuarial accrued liability at end of year	\$171,545	\$890,116	\$38,038
6. Changes due to:			
a. Investment return greater than expected, after asset smoothing	\$(19,452)	\$(88,130)	\$(45,488)
b. Actual contributions (more)/less than expected under funding policy	1,307	(15,316)	(9,020)
c. Additional UAAL contributions from OCFA and CRPD, and scheduled payments from DOE and U.C.I.	0	0	(18,196)
d. Individual salary increases (less)/greater than expected	7,480	28,172	48,306
e. COLA increases greater than expected in 2026 ¹⁹²	296	1,357	510
f. Other net experience (gain)/loss	(3,852)	(7,455)	5,232
g. Total changes	\$(14,221)	\$(81,372)	\$(18,656)
7. Unfunded actuarial accrued liability at end of year: 5 + 6g	\$157,324	\$808,744	\$19,382

¹⁹² Actuarial loss from payment of COLAs higher than the 2.75% COLA assumption (based on actual CPI of 3.00%, 3.00% COLA expected to be paid April 1st 2026 for members without COLA Banks as of April 1, 2026).

Appendix A: Definition of Pension Terms

The following list defines certain technical terms for the convenience of the reader:

Term	Definition
Actuarial accrued liability for actives	The equivalent of the accumulated normal costs allocated to the years before the valuation date.
Actuarial accrued liability for retirees and beneficiaries	Actuarial present value of lifetime benefits to existing retirees and beneficiaries. This sum takes account of life expectancies appropriate to the ages of the annuitants and the interest that the sum is expected to earn before it is entirely paid out in benefits.
Actuarial cost method	A procedure allocating the actuarial present value of future benefits to various time periods; a method used to determine the normal cost and the actuarial accrued liability that are used to determine the actuarially determined contribution.
Actuarial gain or loss	A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions, during the period between two actuarial valuation dates. To the extent that actual experience differs from that assumed, actuarial accrued liabilities emerge which may be the same as forecasted or may be larger or smaller than projected. Actuarial gains are due to favorable experience, e.g., assets earn more than projected, salary increases are less than assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, actuarial losses are the result of unfavorable experience, i.e., actual results yield actuarial liabilities that are larger than projected.
Actuarially equivalent	Of equal actuarial present value, determined as of a given date and based on a given set of actuarial assumptions.
Actuarial present value	The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of actuarial assumptions. Each such amount or series of amounts is: Adjusted for the probable financial effect of certain intervening events (such as changes in compensation levels, marital status, etc.) Multiplied by the probability of the occurrence of an event (such as survival, death, disability, withdrawal, etc.) on which the payment is conditioned, and Discounted according to an assumed rate (or rates) of return to reflect the time value of money.

Appendix A: Definition of Pension Terms

Term	Definition
Actuarial present value of future benefits	The actuarial present value of benefit amounts expected to be paid at various future times under a particular set of actuarial assumptions, taking into account such items as the effect of advancement in age, anticipated future compensation, and future service credits. The actuarial present value of future benefits includes the liabilities for active members, retired members, beneficiaries receiving benefits, and inactive members entitled to either a refund of member contributions or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
Actuarial valuation	The determination, as of a valuation date, of the Normal cost, actuarial accrued liability, actuarial value of assets, and related actuarial present values for a plan, as well as actuarially determined contributions.
Actuarial value of assets	The value of the Plan's assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets, but commonly plans use a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially determined contribution.
Actuarially determined	Values that have been determined utilizing the principles of actuarial science. An actuarially determined value is derived by application of the appropriate actuarial assumptions to specified values determined by provisions of the Plan.
Actuarially determined contribution	The employer's contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under the Plan's funding policy. The actuarially determined contribution consists of the employer normal cost and the amortization payment.
Amortization method	A method for determining the amortization payment. The most common methods used are level dollar and level percentage of payroll. Under the level dollar method, the amortization payment is one of a stream of payments, all equal, whose actuarial present value is equal to the unfunded actuarial accrued liability. Under the level percentage of pay method, the amortization payment is one of a stream of increasing payments, whose actuarial present value is equal to the unfunded actuarial accrued liability. Under the level percentage of pay method, the stream of payments increases at the assumed rate at which total covered payroll of all active members will increase.
Amortization payment	The portion of the pension plan contribution, or actuarially determined contribution, that is intended to pay off the unfunded actuarial accrued liability.
Assumptions or actuarial assumptions	The estimates upon which the cost of the Plan is calculated, including: Investment return — the rate of investment yield that the Plan will earn over the long-term future; Mortality rates — the rate or probability of death at a given age for employees and retirees; Retirement rates — the rate or probability of retirement at a given age or service; Disability rates — the rate or probability of disability retirement at a given age; Withdrawal rates — the rate or probability at which employees of various ages are expected to leave employment for reasons other than death, disability, or retirement; Salary increase rates — the rates of salary increase due to inflation, real wage growth and merit and promotion increases.

Appendix A: Definition of Pension Terms

Term	Definition
Closed amortization period	A specific number of years that is counted down by one each year, and therefore declines to zero with the passage of time. For example, if the amortization period is initially set at 20 years, it is 19 years at the end of one year, 18 years at the end of two years, etc. See “open amortization period.”
Decrements	Those causes/events due to which a member’s status (active-inactive-retiree-beneficiary) changes, that is: death, retirement, disability, or withdrawal.
Defined benefit plan	A retirement plan in which benefits are defined by a formula based on the member’s compensation, age and/or years of service.
Defined contribution plan	A retirement plan, such as a 401(k) plan, a 403(b) plan, or a 457 plan, in which the contributions to the plan are assigned to an account for each member, the plan’s earnings are allocated to each account, and each member’s benefits are a direct function of the account balance.
Employer normal cost	The portion of the normal cost to be paid by the employer. This is equal to the normal cost less expected member contributions.
Experience study	A periodic review and analysis of the actual experience of the Plan that may lead to a revision of one or more actuarial assumptions. Actual rates of decrement and salary increases are compared to the actuarially assumed values and modified based on recommendations from the Actuary.
Funded ratio	The ratio of the valuation value of assets to the actuarial accrued liability. Plans sometimes also calculate a market funded ratio, using the market value of assets, rather than the valuation value of assets.
GASB 67 and GASB 68	Governmental Accounting Standards Board (GASB) Statements No. 67 and No. 68. These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 67 sets the rules for the systems themselves.
Investment return	The rate of earnings of the Plan from its investments, including interest, dividends and capital gain and loss adjustments, computed as a percentage of the average value of the fund. For actuarial purposes, the investment return often reflects a smoothing of the capital gains and losses to avoid significant swings in the value of assets from one year to the next.
Negative amortization	Negative amortization is a result of an increase in the unfunded actuarial accrued liability when the amortization payment is less than the interest accrued on the unfunded actuarial accrued liability.
Net pension liability	The net pension liability is equal to the total pension liability minus the plan fiduciary net position.
Normal cost	The portion of the actuarial present value of future benefits and expenses, if applicable, allocated to a valuation year by the actuarial cost method. Any payment with respect to an unfunded actuarial accrued liability is not part of the normal cost (see “amortization payment”). For pension plan benefits that are provided in part by employee contributions, normal cost refers to the total of member contributions and employer normal cost unless otherwise specifically stated.

Appendix A: Definition of Pension Terms

Term	Definition
Open amortization period	An open amortization period is one which is used to determine the amortization payment but which does not change over time. If the initial period is set as 30 years, the same 30-year period is used in each future year in determining the amortization period.
Plan fiduciary net position	Market value of assets.
Service costs	The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.
Total pension liability	The actuarial accrued liability under the entry age normal cost method and based on the blended discount rate as described in GASB 67 and 68.
Unfunded actuarial accrued liability	The excess of the actuarial accrued liability over the valuation value of assets. This value may be negative, in which case it may be expressed as a negative unfunded actuarial accrued liability, also called the funding surplus or an overfunded actuarial accrued liability.
Valuation date or actuarial valuation date	The date as of which the value of assets is determined and as of which the Actuarial Present Value of Future Benefits is determined. The expected benefits to be paid in the future are discounted to this date.
Valuation value of assets	The actuarial value of assets reduced by the value of non-valuation reserves.

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